An Evaluation of British Columbia's Downtown Revitalization Programme

Ministry of Municipal Affairs
Hon. Rita M. Johnston, Minister

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Prepared by Policy and Research Branch
For the Downtown Revitalization Programme

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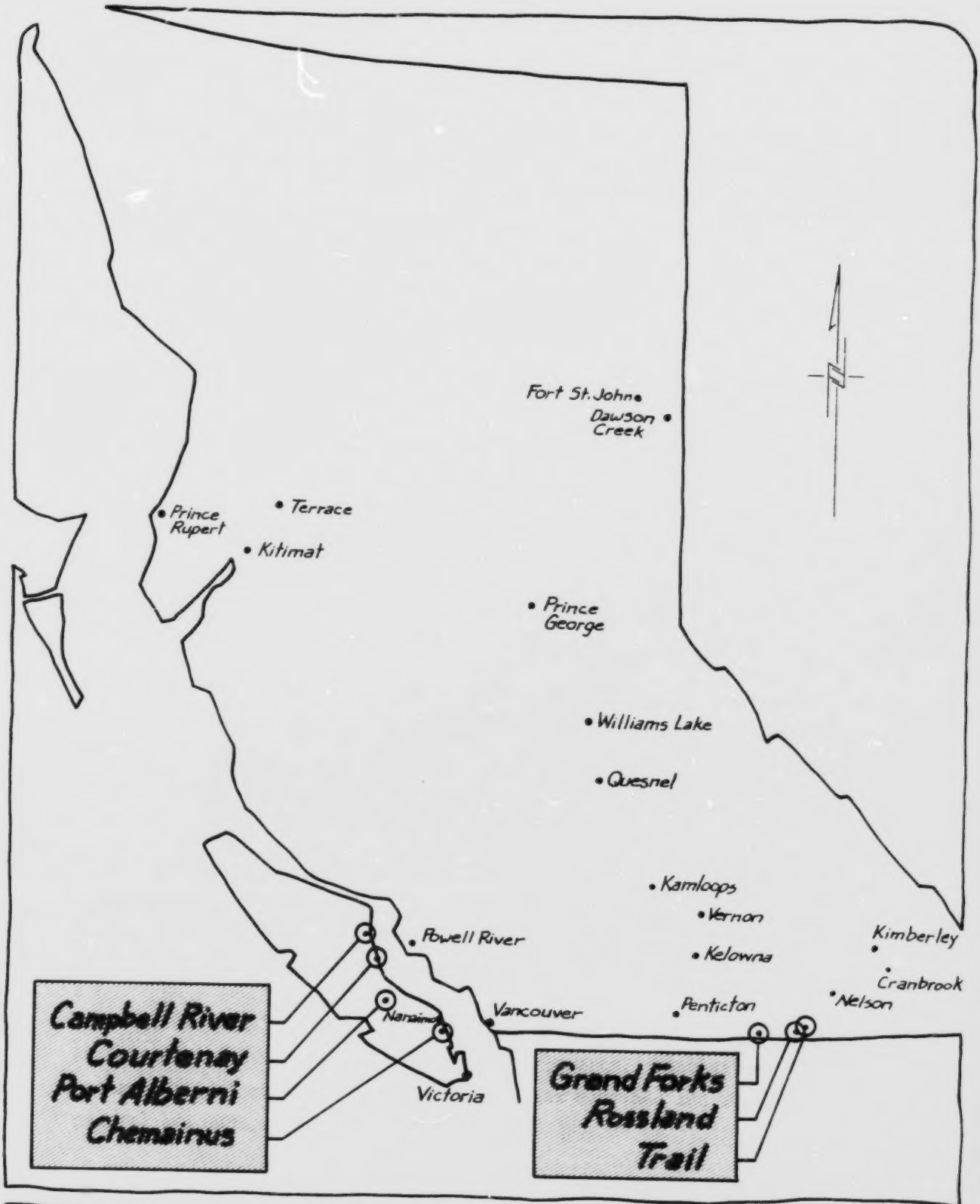


1986 Downtown Revitalization Study
Case Locations

1.0 INTRODUCTION

The central business district of many British Columbia towns and cities has been declining for many years as there has been a shift to suburban living and regional shopping centres. Due to increased competition from shopping centres, many downtown merchants stopped investing in improvements for their stores and allowed them to decline. Other businesses followed suit causing economic stagnation and physical deterioration downtown.

The Downtown Revitalization Programme became a reality as merchant and municipal concern for the revival of the downtown area's viability increased. Both groups had a desire to impart new life and vigour into the downtown area, and with financial incentives the DRP provided they were able to embark upon a comprehensive revitalization programme. The DRP, which began in 1980 with an allocation of $25 million, acts as a catalyst for municipalities and merchants to undertake economic and physical revitalization of the downtown core, and to improve attitudes toward it.

Through case studies this report examines the economic, physical/aesthetic and to a lesser extent, attitudinal impacts of the DRP on participating communities. As well, a review of programme delivery and performance is undertaken to determine if any policy or legislative changes are required to improve delivery and performance.

The towns used as case studies range from 3,500 to 16,000 in population and represent British Columbia's smaller communities. The communities examined illustrate various stages of the revitalization process and the different scale of projects undertaken.

Based on results from the evaluation of projects in case communities and information gained in background research, conclusions and recommendations relevant to those communities examined and the DRP in general are made.

2.0 EXECUTIVE SUMMARY

2.1 Objectives of the Downtown Revitalization Programme

The primary aims of the programme can be grouped under the objectives of physical revitalization and economic revitalization. Both objectives attempt to address the goal of comprehensive revitalization of the downtown core areas of B.C. communities.

Under the physical revitalization objective primary aims are:

- to improve the municipal physical infrastructure; and
- to stimulate private property improvements

Under the economic revitalization objective primary aims are:

- to increase the economic viability of downtown; and
- to aid merchants in marketing and promotions

2.2 Basis for Evaluation

To determine if the programme objectives are being met, this study was commissioned. This evaluation is designed to be used both by the Ministry, as a tool to increase the effectiveness and efficiency of the programme, and by municipalities as a tool to increase their capability to complete the best revitalization project possible.

2.3 Study Design

The evaluation of the Downtown Revitalization Programme (DRP) concentrated on a review of programme design and policy in conjunction with a case study analysis of seven municipalities participating in the programme. The communities examined were Chemainus, Courtenay, Campbell River, Grand Forks, Port Alberni, Rossland and Trail.

Specifically, the evaluation was undertaken to:

- Identify the physical/aesthetic, economic and attitudinal impacts of the programme;

- Review programme delivery and performance;
- Provide substantive evidence whether the programme should be continued; and
- Recommend any policy or legislative changes, if any, to increase programme delivery and performance.

2.4 Case Study Results

The goal of the DRP is to increase the economic strength and viability, as well as improve the physical infrastructure, of downtown areas by supplying municipalities and private business owners with financial incentives.

Overall, the DRP has been successful in the communities evaluated, but not always in all aspects which the programme is designed to address. "Success" according to Webster's dictionary means "a favourable or desired outcome." In these terms all communities examined have achieved some success. The DRP has had a favourable outcome everywhere, but to varying degrees. Complete success in terms of the DRP goals and objectives would be accomplished if a balance between both physical and economic revitalization is attained in a community. In reality not every community taking part in the programme has yet achieved both goals, even though there are many communities that have illustrated the fact that both goals are attainable with hard work and dedication.

The study has shown that the best projects are those where attention has been given to both physical and economic revitalization objectives. For many communities physical revitalization is the first stop on the road to a comprehensive revitalization program. Beautification then acts as the catalyst for a community to undertake economic revitalization and then, ideally, balance between the two is achieved. Conclusively, the key to revitalization lies both with good design and with innovative management of the downtown economy.

2.5 Critical Success Factors

From the case study evaluation it was determined what critical success factors need to be in place in order for communities, with

varying needs and goals, to get the best possible benefit out of the DRP. The mere existence of these factors does not guarantee the success of a project, but they do set the stage for success.

The critical success factors are:

- cooperation between the municipality and business community;
- participation by as many concerned individuals and groups as possible;
- thorough project preparation via community based research and planning;
- commitment to a long-range revitalization plan;
- presence of a downtown revitalization coodinator or committee;
- professional planning and design assistance;
- attention to both physical and economic revitalization objectives; and,
- flexible programme administration.

The review of programme design has paid particular attention to how the DRP could contribute to building in these conditions for success.

2.6 Programme Policy Recommendations

The programme design was evaluated with the help of a conceptual framework which emphasizes the two preeminent programme objectives, physical revitalization and economic revitalization, and the four different phases in the programme's life-cycle, namely, planning, development, operations and evaluation. It was determined from the study that programme emphasis is placed on the physical revitalization objective even though both physical and economic objectives are stressed in the overall programme goal. It was also determined that insufficient attention is paid to the planning phase of the programme life-cycle. Remedial measures will be proposed for both.

Planning. The planning phase, and corresponding $5,000 start-up grant, currently does not address the need for communities to undertake extensive preparation regarding both physical and economic

revitalization. Thorough preparation regarding economic revitalization is particularly lacking.

It is recommended that the start-up grant be expanded and enriched by creating a "Downtown Revitalization Planning Grant (DRPG)" that addresses both physical and economic planning needs. Specifically, the DRPG in addressing the physical revitalization objective, would retain the $5,000 grant but, in addition, a 25% matching grant would be made available on amounts up to a $15,000 threshold, with a 10% matching grant offered on amounts over $15,000. The DRPG, in addressing the economic revitalization objective, would encompass a 50% matching grant on amounts up to a $15,000 threshold, with a 10% matching grant offered on amounts over $15,000. The DRPG would address the need to develop a comprehensive strategy to achieve balance between both the physical and the economic revitalization objectives.

Development. The development phase, regarding physical revitalization, currently encompasses the design advance loan, the capital improvement loan and the facade improvement grant.

The design advance loan is ineffective and, in fact, largely unused, therefore, it is recommended that it be abandoned.

The capital improvement loan, as it exists, is effective and sufficient for intended purposes, so no recommendations for change are forthcoming.

The facade improvement grant, at 20% of incurred costs, is sufficient but it is recommended that educational materials on facade planning and design be developed and made available to both merchants and the municipality.

In regards to economic revitalization, the DRP, other than stipulating that the business community prepare promotion schedules and estimations of cost, puts no emphasis on, and incentive for, the development of long-range economic revitalization plans.

To address this void it is recommended that a "Promotional Strategy Development Grant" be established. A variable matching grant is suggested where a 50% grant is offered to a business community when up to $10,000 is spent on a downtown economic development strategy, and then a 10% grant is offered on amounts beyond this threshold.

Operations. It has been determined that municipalities need financial incentives to get their project going but once going, downtowns should be self-sustaining, therefore, it is suggested that no financial aid be offered for the operations phase.

The promotion aid grant which currently addresses economic revitalization operations should be abandoned as it was found to be inappropriate as the sole component designed to address economic revitalization. Note that this recommendation is contingent upon adoption of BIA legislation. It is recommended that Business Improvement Area legislation be adopted that would allow a municipality and business community to address this operations phase. This would enable merchants to mimic the shopping centre with its coordinated marketing.

Evaluation. This study is the first attempt at a programme evaluation. It should prove to be a valuable tool for determining the impact, efficiency and effectiveness of the programme.

It is recommended that an evaluation of the programme be completed periodically to determine its continued effectiveness. At least two years should pass between the time a project is completed and an evaluation is undertaken.

Education Materials. Currently, insufficient educational materials are made available to municipalities and business communities on different aspects, and the finer points, of revitalization.

Education on facade design, and the purpose and benefit of improving building facades should be provided to the business community by the ministry by way of written guidance materials and workshops.

The existence of a project coordinator or committee was established as a critical success factor. To aid them in their job it is recommended that educational materials on efficient and effective project coordination be provided by the ministry.

In addition, it is recommended that educational materials and workshops be provided to the business community that will assist them in developing a comprehensive downtown economic revitalization plan. These materials would include: what a local market review is designed to achieve; how to perform a market analysis; how to develop a plan; and, how to organize and implement a marketing programme.

Economic Development Strategy, Official Community Plan and Other Programmes. The DRP is not an island unto itself. It is just one programme that communities can utilize as part of an overall development plan. The DRP needs to be related to a community-wide economic development strategy and the official community plan.

It is recommended that these additional opportunities be promoted through suitable educational materials that emphasize the compatibility between them and the DRP.

Other complimentary government programmes focusing on community development, such as the Heritage Area Revitalization Programme, Partners in Tourism and Heritage Canada's Main Street Programme, also need to be promoted through suitable educational materials.

2.7 Conclusion

The DRP is a vital and beneficial programme. Even though it has been beneficial to those participating it can still be improved in order to offer an even better opportunity to communities in need of downtown revitalization. Changes recommended are believed to be ones that would improve the programme and give communities a better start on comprehensive long-range revitalization and development.

3.0 PROGRAMME REVIEW

3.1 History

Downtown core areas in British Columbia have in many cases lost business to the regional shopping mall whose aggressive management and promotional techniques have often left the once thriving downtown core unattractive and lacking marketing direction. In response to this decline the Provincial Ministry of Municipal Affairs and Transit, under authority of the Special Funds Act 1980, introduced the Downtown Revitalization Programme with a budget of $25 million. The main objectives of the programme can be grouped under the major goals of physical revitalization and economic revitalization. Physical revitalization objectives are: (1) improve the municipal physical infrastructure and, (2) stimulate private property improvements. Economic revitalization objectives are: (1) increase the economic viability of downtown and, (2) aid merchants in marketing and promotions.

The creation of the Downtown Revitalization Programme was a response to the fact that many downtown areas in B.C. were in economic, physical and social decline. In many cities and towns throughout B.C. once thriving commercial centres could no longer attract shoppers, and core areas had deteriorated to such an extent that attempts at building up and promoting businesses in the commercial district were destined to fail. It is generally accepted that a vibrant, prosperous downtown is a necessary part of a healthy community. Hence the need for a revitalization programme to revive deteriorating commercial areas was evident.

The DRP was designed to enhance the existing downtowns of municipalities by promoting, through financial incentives, the investment of municipal and private funds in physical improvements, marketing and promotion schemes through merchants associations, and the creation of a comprehensive long-range plan for the future of downtown. The programme is based on active participation and commitment by both the municipality and the business community to make it a success. The fact that these two groups must work together

to achieve positive and lasting results creates confidence that this cooperative spirit will be carried over into the creation of an enduring alliance between local government and merchants, as well as between merchants themselves.

The DRP has built-in flexibility to allow for participation by communities with varying needs and resources but who share the common goal of revitalization. This flexibility within the administration of the programme is a necessity for a programme that seeks to address the concerns of large communities such as Nanaimo as well as smaller communities like Salmo.

For communities that do not take advantage of the full range of grant and loan programs, there are components of the DRP which they can still benefit from. The programme works to stimulate a community's awareness of the downtown as a municipality goes through the process of having its downtown area designated and preparing feasibility studies for a revitalization project. So even if a community does not participate in all components of the programme the reinforcement of positive attitudes and policies towards downtown is a significant step toward restoring the vitality and competitive edge to downtown cores that have fallen behind the times.

3.2 Goals and Objectives

The goal of the DRP is to increase the economic strength and viability, as well as improve the physical infrastructure of downtown areas by supplying municipalities and private business owners with financial incentives. Specifically, the DRP, through the use of grants and low interest loans, works at bringing together merchants, municipal councils and provincial agencies to undertake concept plans, marketing strategies and street beautification works aimed at revitalizing the downtown core both physically and economically. Table 1 is a summary of objectives of the DRP, its corresponding components and a basic description of these.

TABLE 1 SUMMARY OF DRP OBJECTIVES AND COMPONENTS DESIGNED TO MEET THESE OBJECTIVES

1. To achieve greater municipal/ business community cooperation in revitalizing downtowns	Start-Up Grant	A $5,000 grant to help municipalities and business community establish priorities in the revitalization process and create a conceptual plan
2. To induce municipalities to improve physcial municipal infrastructure in downtowns	Design Advance Loan	$10,000 loan to assist in completion of detailed working drawings and cost estimates for revitalization project
	Capital Improvement Loan	A 75% of total costs loan to a municipality for completion of capital works improvements
3. To induce private business to improve physical appearance of privately owned buildings downtown	Facade Improvement Grant	20% grant to private business owners to aid them in completing facade improvements on commercial buildings
4. To induce private business owners to promote downtown jointly with other business people	Promotion Aid Grant	25% grant to assist merchants to organize themselves and promote downtown through joint marketing

Financial aid, in the form of grants, is available to municipalities for initial planning and organization in preparation for a revitalization project. As well, municipalities may obtain loans to help finance physical revitalization works, private building owners may receive grants to upgrade the appearance of their property, and business associations are eligible to receive grants to help them with downtown promotional activities and marketing campaigns. All loan and grant components of the Downtown Revitalization Programme are available to every municipality if interested in participating and if eligibility requirements are met.

Specifically, there are five forms of financial assistance available under the Downtown Revitalization Programme.

1. A *start-up grant* of $5,000 is available to municipalities to assist Council and the business community to establish its priorities in the revitalization process, and arrive at a conceptual plan that can be used as a base from which the capital improvement loan and facade improvement grants can be

calculated. The objective of this grant is to achieve greater municipal and business community cooperation in revitalizing downtowns.

2. The *Design Advance Loan* is a $10,000 advance on the capital improvement loan that is used to assist in the completion of detailed working drawings and cost estimates of capital works projects.

3. The *Capital Improvement Loan* is a 75% of total costs loan to a municipality for capital works improvements undertaken in the designated downtown area(s) such as improving services and utilities, paving, replacement of sidewalks and the installation of benches, planters, trees and street lights. Loan arrangements are determined according to the individual needs of downtown areas and the financial position of each municipality. The objective of both the design advance and capital improvement loans is to induce municipalities to improve the physical municipal infrastructure in downtowns.

4. The *Facade Improvement Grant* is a grant given to private property owners, within the designated downtown area(s), to assist them in completing improvements on their building facades. A grant of 20% of costs or $200 per metre (whichever is the least) is available for the front of a building; 10% or $100 per metre (whichever is the least) for the sides, if they are located on a pedestrian-oriented street; and 10% or $100 per metre whichever is the least for the rear if it is parking oriented with a rear entrance into the building(s). The objective of this grant is to induce private business to improve the physical appearance of private buildings in the downtown core.

5. The *Promotional Aid Grant* assists merchants to organize themselves and promote the downtown area through joint marketing using newspaper and media advertising that emphasizes the benefits of shopping downtown. The maximum grant is based on the municipal population using the following formula: $1.00 per

capita for the first 10,000 of municipal population; $0.50 per capita for the next 50,000 of municipal population; and $0.20 per capita for the remainder; or 25% of approved expenditures, whichever is the least. The objective of this grant is to induce private business, through a merchants association, to promote the downtown area.

The ministry has appointed an administrator to manage and promote the programme. In addition to being responsible for administering the five forms of financial assistance available under the Downtown Revitalization Programme, the administrator plays a consultative role and is available at anytime to address concerns a municipality may have regarding the programme.

3.3 Legislation

The B.C. Downtown Revitalization Programme came into existence through the Special Funds Act, 1980 (Appendix A). $25 million was allocated from the Provincial General Fund to establish the Downtown Revitalization Fund. Subsequently, by the Special Appropriations Act, 1982, the fund became an account.The Act states that "the purpose of the fund is to grant aid to municipalities and the business community to revitalize downtown areas and to provide for loans to municipalities to assist in the capital cost of downtown improvement."

Under the Act the Minister of Municipal Affairs requests that an expenditure be made from the fund, and subject to certification by the Comptroller General, the Minister of Finance pays the amount of the expenditure to the person designated by the Minister of Municipal Affairs. As this is a non-revolving account, authorized new loans reduce the balance of the account by a corresponding amount. Loan repayments received by the ministry are credited to two different accounts. Repayment of principal is credited to the Provincial Loan Receivable Account and the repayment of interest is credited to the Consolidated Revenue Fund. No portion of loan repayments is credited to the Downtown Revitalization Fund which means that the initial $25 million allocation is exhausting itself.

3.4 Eligibility

All municipalities throughout the Province are eligible to participate in the DRP. However, in order to be considered for financial assistance they must demonstrate that:

1. The assistance will be effectively utilized.

2. There is a cooperative spirit among business people and residents, and they are involved in planning the needs of "downtown" and the organization of marketing programs to attract more people to the area.

3. They will not support policies which contribute to the decline of downtown, such as encouraging the development of suburban shopping centres.

4. They have a long-term commitment to policies and attitudes which support downtown.

5. They are willing and able to commit their resources to the revitalization of downtown.

6. They will commit themselves to undertaking compatible promotion, marketing and management of the downtown to complement the physical/aesthetic improvements and attract people into the downtown area.

In addition to the presence of these cooperative elements and policies, a municipality, in order to be eligible for assistance in all components of the DRP, must have its downtown area designated by the minister. The area must be "a pedestrian-oriented retail, service, entertainment, social or cultural central place or specific district of a municipality."

A municipality may have more than one such area, others none at all. In any event careful consideration must be given to the boundary of a downtown area. Types and locations of businesses, their similarities and differences, and which are the large business generators have to

be considered as do market, traffic and parking patterns, municipal planning policies and current problems of the downtown district. The optimum size of the area will depend upon its character and purpose.

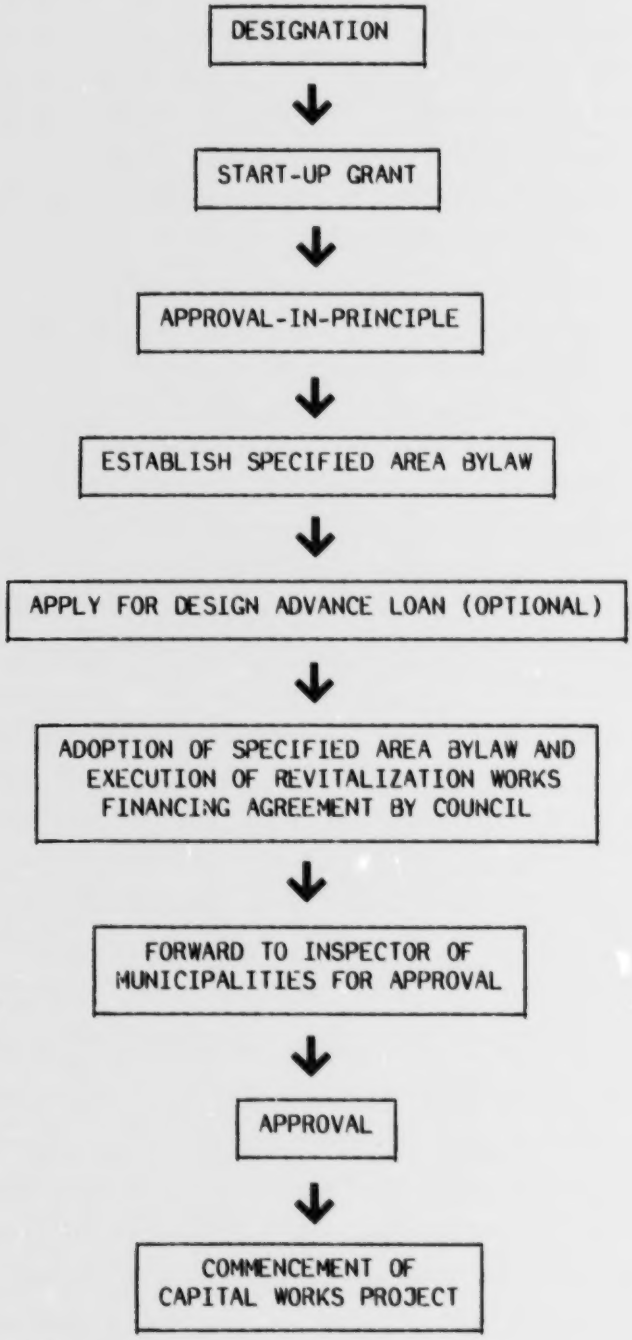
To apply for designation of its downtown a municipality must submit an application to the Minister of Municipal Affairs and Transit outlining the reasons why designation of the downtown area(s) is being requested. Also included in this application is a summary of estimated expenditures for that area in that particular year. Once a municipality's 'downtown' has been designated it may initiate participation in the various components of the Downtown Revitalization Programme.

3.5 Programme Delivery Process

The starting point for any municipality initiating involvement in the Downtown Revitalization Programme, after its downtown area has been designated by the Minister, is to apply for the $5,000 start-up grant. The grant is then forwarded to the municipality so they can establish their priorities in conjunction with the business community and begin work on a conceptual revitalization plan. To aid in the completion of a concept plan and establishment of priorities it is recommended that part of the grant be used to hire a knowledgeable local person or outside consultant to aid in the preparation of a conceptual plan. The Downtown Revitalization Programme administrator is available at this stage and all proceeding stages to meet with merchants and council to advise on the application procedure for the various components of the programme and to discuss the benefits of the programme in general. A summary of steps to obtaining capital works loan assistance is outlined in Figure 1.

For the design advance and capital improvement loan application procedures a municipality must first provide the ministry with evidence of the downtown area's economic viability, the municipality's ability to construct, install and maintain the works, and a resolution by Council confirming the compatibility of proposed works with other municipal programs and policies.

Figure 1. Summary of Steps to Obtaining Capital Works Loan Assistance


DESIGNATION
START-UP GRANT
APPROVAL-IN-PRINCIPLE
ESTABLISH SPECIFIED AREA BYLAW
APPLY FOR DESIGN ADVANCE LOAN (OPTIONAL)
ADOPTION OF SPECIFIED AREA BYLAW AND EXECUTION OF REVITALIZATION WORKS FINANCING AGREEMENT BY COUNCIL
FORWARD TO INSPECTOR OF MUNICIPALITIES FOR APPROVAL
APPROVAL
COMMENCEMENT OF CAPITAL WORKS PROJECT

In addition a description of proposed works and the overall objectives for the downtown must be forwarded to the ministry.

Another factor which determines the eligibility of a municipality for the design advance and capital improvement loans is its adoption of either a Specified Area Bylaw governed under Sections 674-678 of the Municipal Act, a Local Improvement Bylaw governed under Sections 649-673 of the Municipal Act, or a Short-Term Capital Borrowing Bylaw which is governed under Sections 344-345 of the Municipal Act. Of these the most common method is adoption of the Specified Area Bylaw which will be used to illustrate the process. The adoption of this bylaw is achieved through referendum, petition of property owners or Council initiative. The bylaw defines the specified area's boundaries, proposed works, distribution of costs and repayment responsibilities, and the manner in which costs will be recovered.

Approval-in-principle for the capital improvement loan may be given to a municipality after they have submitted a description of intended works and their cost, the design concept and its approval by Resolution of Council, the proposed boundaries of the specified area, what loan amount is requested, and the proposed allocation of costs.

The minister will then reply in writing stating the amount of loan available and the interest rate at which it will be approved subject to adoption of a specified area bylaw and the Revitalization Works Financing Agreement. Approval-in-principle is given to a municipality for one year. If they are not prepared to begin a capital works project at the end of the year approval is withdrawn and the municipality must apply again when they are better prepared to begin their project.

Once approval-in-principle is received by a municipality they may then take final steps to establish the specified area bylaw. To do this Council or an organization or group within the area to be affected by the revitalization works initiates the approval process through referendum, petition or initiative as previously stated.

After the specified area bylaw has been adopted by Council a request for a $10,000 design advance loan can be made by the municipality. This loan is available to aid in the preparation of detailed working drawings and cost estimates for the proposed revitalization works. Once approved the Minister of Municipal Affairs and Transit may then forward the design advance loan to the municipality. This is an optional component of the DRP.

Following adoption of the specified area bylaw by the municipality they then must execute the Revitalization Works Financing Agreement to be eligible to receive final approval for the capital improvement loan. The agreement and bylaw, once established by Council, are then forwarded to the ministry for execution by the Inspector of Municipalities. Once final approval has been received the municipality can begin their capital works project.

Facade improvement grants are available to private building owners within the designated downtown area who have made improvements to their building's facade that fit into the approved municipal design concept. This component of the Downtown Revitalization Programme is administered through the municipal building inspection process. Grants are forwarded directly to property owners by the ministry after improvements have been completed. The improvements must pass final inspection by the building inspector who determines that: (1) work completed was for facade beautification and improvement; (2) work conforms to municipal bylaws; and (3) improvements were made to existing properties. The building inspector fills out a certificate of completion which is attached to a building permit, if applicable, and determines actual costs of the improvements. This information is then forwarded to the Ministry of Municipal Affairs and Transit for approval.

To be eligible for the promotion aid grant component of the programme a municipality must have its capital improvement loan approved-in-principle or have its capital works project under construction or completed. Once a municipality's status has been determined and they have received approval of planned expenditures for promotional and organizational activities they, or an

organization recommended by the municipality, may undertake the proposed activities. Once the promotional activities have been staged a claim form, with receipts and samples of advertising attached, is forwarded by the municipality or the approved organization to the DRP administrator who then has a cheque processed for the required amount. The cheque is sent to the municipality or approved organization who staged the promotions. Promotion aid is available up to and including the first year of repayment of the capital improvement loan, that is, two years after the first payment by the province of the loan funds.

3.6 Current Status

The Downtown Revitalization Programme has a budget of approximately $5.65 million for the fiscal year 1986/87. It appears that current budget estimates for loans and grants in the fiscal year will be accurate. A total of 11 capital improvement projects will be undertaken in 1986/87. At the end of the 1986/87 fiscal year approximately $300,000 will remain in the DRP budget. This money has been earmarked for another capital improvement project in 1987/88. Therefore, the current DRP budget has been exhausted. A summary of DRP expenditures for 1980-1986 is available in Appendix B.

Over 20 municipalities have expressed interest in participating in a renewed Downtown Revitalization Programme. A decision on the future of the DRP must be forthcoming as soon as possible and a decision made as to what form renewal of the programme would take. Renewal of the programme could take one, or a combination, of two forms:

1. Allocation of a new fund or account similar to the initial funding. Money can either be allocated and depleted without replenishment, or a revolving fund could be established.
2. Inclusion of the programme in the ministry's annual budget vote.

4.0 METHODOLOGY/STUDY DESIGN

4.1 Basis for Evaluation of the DRP

In the past six years over 120 communities around the province have taken advantage of the DRP, to varying degrees of success. Prior to this study no review or evaluation of the programme had been undertaken by the ministry to determine impacts on communities involved, factors influencing the varying degrees of success and the effectiveness of the delivery system. It was determined that a critical re-examination of the programme be undertaken to determine its impact and effectiveness in participating communities. Specifically the evaluation of the Downtown Revitalization Programme was undertaken to:

1. Identify the economic, physical/aesthetic and attitudinal impacts of the programme on participating communities.

2. Review programme delivery and performance.

3. Provide substantive evidence whether the programme should be continued.

4. Recommend any policy or legislative changes, if necessary, regarding programme delivery and performance.

4.2 Evaluation Criteria

Criteria were established for the evaluation of economic, physical/aesthetic and attitudinal impacts in each community. In addition, a number of pertinent questions were formulated to evaluate the programme delivery process. The questions were aimed at both merchants and municipal contacts who had experience with delivery of the programme. Criteria and questions utilized are as follows.

4.2.1 Economic

Economic impact of a community's revitalization project was evaluated using the following criteria:

1. *Employment*. The number of new, permanent, temporary, part-time and construction jobs created as a result of the DRP was determined. The impact on employment is a good indication of the health of the downtown economy.

2. *Property Assessment*. The assessed value of commercial property within the designated areas was compared with the total for the municipality as a whole to determine if trends were appreciably different in the two areas.

3. *Market Share*. This was examined to determine if the community obtained a higher share of the retail market and if merchants are now in a better competitive position as a consequence of revitalization.

4. *Vacancies and Rentals*. The impact of the revitalization project on the commercial property market was examined. Specifically rental rates, vacancy rates, market values and property sales were examined.

5. *Commercial Mix*. An examination of changes in the balance of commercial facilities and the number of new facilities was undertaken to determine changes in market orientation.

6. *Retail Sales*. Increases or decreases in retail sales were examined. Retail sales are an obvious measure of economic well-being in the downtown area.

7. *Spin-Off Investment*. An examination was made of redevelopment in other areas of the community, further investment in building renovations, new businesses established and investment in other sectors of the economy such as tourism.

4.2.2 Physical/Aesthetic

Physical/aesthetic impact of a community's revitalization project was evaluated utilizing the following criteria:

1. *Land Use Changes*. Changes such as street closures and the addition of new uses to an existing building were identified.

2. *Parking and Traffic Circulation Improvements.* An examination was made of: Changes in traffic volumes and circulation; number and type of parking spaces; street parking space configuration; revenue; better access; and general improvements such as lighting and paving.

3. *Improvement of Municipal Services and Utilities.* A review was undertaken to determine if there has been any capacity change, repair or replacement of existing systems or placement of overhead wires underground.

4. *Pedestrian Access and Circulation Improvements.* A review was undertaken to determine if the provision of additional walkways and crosswalks had been undertaken as part of the revitalization project and if any improvements were made to pavement and sidewalks.

5. *Physical Integration of the Project into the Existing Community.* Scale, style, general character of the project, pedestrian and vehicular circulation, heritage aspects and whether the new project blends into existing pattern were all considered.

6. *Beautification/Aesthetic Improvements.* A review was undertaken to determine if sidewalks were visually improved by widening or adding decorative paving, if street landscaping was undertaken, if there was any addition of street furniture, decorative lighting and any signage and facade improvements.

7. *Improved Safety and Convenience.* An examination was made to determine if any improvements in lighting, paving and orientation as well as the addition of protective canopies or awnings to protect pedestrians from the elements were made.

4.2.3 Attitudinal

Attitudinal changes affected by a community's revitalization project were evaluated utilizing the following criteria:

1. *Membership in Local Business Organizations.* The level of support for the business organization was determined. A change

in membership indicates change in either attitudes towards the organization or number of downtown businesses.

2. *Quality of Inter-Merchant Relationship.* The relationship between merchants was examined. This has a direct influence on their willingness to become involved in and continue joint marketing efforts.

3. *Confidence.* An effort was made to determine if business confidence increased. The willingness to invest in downtown business is an excellent indicator of confidence in the future of a community.

4.2.4 Programme Delivery

To determine the ease in applying for components of the DRP and the efficiency of the programme delivery system questions were put to municipal contacts regarding their experiences with delivery of relevant components of the programme and property owners within the designated downtown area who participated in facade improvements.

The municipal government contacts were asked a series of five questions that dealt with delivery of all components of the programme except facade improvement grants which were sent directly to merchants.

1. Have there been any problems with delivery of the start-up grant?

2. Have there been any problems with delivery of the design advance loan?

3. Have there been any problems with delivery of the capital improvement loan?

4. Have there been any problems with delivery of the promotion aid grant?

5. Do you have any suggestions on ways to improve delivery of components in the Downtown Revitalization Programme?

Merchants and property owners were asked a series of seven questions that dealt with the facade improvement application and delivery process.

1. Was the facade improvement grant easy to apply for?

2. Was the process efficient?

3. Was the 20% (or $200/metre) grant enough to help you with facade improvements?

4. Did overall downtown facade improvements meet your visual (aesthetic) expectations?

5. Were you given enough guidance when you were entering into the programme?

6. Have benefits you received exceeded the costs you incurred in making the improvements?

7. Do you feel the facade improvement programme was worth participating in?

4.3 Case Studies Chosen for Evaluation

In order to evaluate the DRP's impact and effectiveness six case studies, representative of B.C.'s smaller municipalities, were chosen for close examination. Several factors were used to determine which communities were to be evaluated. The factors are:

1. The stage of the revitalization process a community has reached, and scale of project undertaken.

2. The size of communities.

3. The relative ease of access to the communities.

4. The communities have finished their capital works project for at least one year.

5. The uniqueness of their project.

The six communities chosen for a detailed examination were Chemainus, Courtenay and Campbell River on Vancouver Island and Rossland, Trail and Grand Forks which are clustered in the southern interior of the province. Also, Port Alberni, a community that began the revitalization process by requesting a start-up grant, promotional aid and facade improvement grants but never advanced past this stage was examined. The purpose was to determine the rationalization for its lack of further involvement and effectiveness of programme components that were utilized here. Interviews with municipal and business contacts were conducted but a detailed examination of the Port Alberni community was not undertaken. Table 2 summarizes the extent of participation in the DRP by communities examined.

Table 2. Summary of Case Study Participation in Downtown Revitalization Programme

Community	Est. Pop. 1981	Completion of Capital Works	$5,000 Start-Up Grant	$10,000 Design Advance	Capital Improvement Loan	Facade Improve. Grant	Promotion Aid Grant	Total Including Start-Up & Design Advance
Chemainus	4,000	Phase I = 1982 Phase II = 1985	Yes	Yes	I 235,000 II 347,500	55,000	40,000	692,500
Courtenay	9,000	1981	Yes	No	210,400	10,000	40,000	265,400
District of Campbell River	16,000	Phase I = 1984	Yes	No	575,000	20,000	40,000	640,000
Grand Forks	3,500	1985	Yes	Yes	682,750	30,000	3,000	730,750
Rossland	4,000	1984	Yes	Yes	270,000 + 150,000 grant	22,000	11,000	468,000
Trail	9,600	1985	Yes	No	412,500	12,000	1,400	430,900
Port Alberni	20,000	Did not participate in this component	Yes	N/A	N/A	17,000	1,800	23,800

The communities examined illustrate various stages of the revitalization process. This ranges from Courtenay which completed

capital works in the Fall of 1981 to Campbell River which completed Phase I in 1984 and has just begun a Phase II project after Phase I turned out to be such a success.

The scale of projects completed ranges from Trail, a small scale project that involved replacement of roads and sidewalks, the planting of trees, installation of benches and planters, and some involvement in facade improvements to a large scale project with the complete redesign of sidewalks and traffic flow patterns, construction of amenity areas, creation of open spaces as well as a complete facade theme and a murals project in Chemainus.

Size of communities varies from Rossland with a population of approximately 3,500 to Campbell River with a population of 16,000. Smaller communities, with a population of under 20,000 were chosen as they share similar characteristics such as compactness and the fact that usually only one or two main business streets exist. IT is recognized that larger communities have different characteristics and needs as compared to smaller communities. As this is the case a separate examination will be undertaken in the future on use of the DRP in larger cities.

4.4 Collection Methods and Techniques

The evaluation of the DRP concentrated on a review of programme design and policy in conjunction with a case study analysis of six municipalities participating in the programme. Where possible quantitative data were obtained. Qualitative data were obtained where no acceptable, valid or reliable quantitative data were available.

Background data on the design and policy of the DRP were obtained from ministry files. The initial policy was developed by the ministry's Policy and Research Branch. Policy interpretation and day-to-day programme direction is provided by the DRP administrator. In addition to examining ministry files, discussions with the administrator were held to clarify current policy and delivery of the programme.

For the case study analyses four major sources of community data were determined. Key individuals were selected from these sources to provide their perceptions and any hard data available regarding the implementation of the programme and impact on their community. The sources are as follows:

1. *Municipal Government.* The local DRP directors, usually the municipal clerk or administrator, with the responsibility for administering the revitalization programme in each municipality completed an orally administered in-depth questionnaire (Appendix C 1.0). The questionnaire focused on the revenue and expenditure implications of each municipality's revitalization project and on the municipal director's perceptions of programme efficiency and community impact.

2. *Downtown Merchants.* A downtown merchants questionnaire was administered on a selective basis (Appendix C 2.0). At least 15% of merchants in each community were interviewed. Table 3 lists the number of merchants interviewed in each community. Questions focused on the merchants experiences with the DRP, particularly regarding the facade improvement component, and their perceptions of its impact on their business. Most of the data collected was qualitative but hard data regarding sales and employment was also obtained.

3. *Business Organizations.* A questionnaire (Appendix C 3.0) was administered to past and present executive members of local business organizations that represent downtown business interests, such as the Chamber of Commerce and Downtown Merchants Associations. We were primarily interested in the impact of the DRP on the working relationship between merchants in the downtown area.

4. *Real Estate Professionals.* A questionnaire was administered to real estate professionals to determine perceptions about, and data on, market conditions for downtown commercial property (Appendix C 4.0).

Where time allowed data was collected from various other sources in each community including the local media, financial institutions, tourist promotion organizations and others who had direct experience with the DRP such as a downtown revitalization coordinator and members of a downtown revitalization committee, where applicable.

Table 3. Total Number of Merchants Interviewed Compared to the Number of Eligible Businesses Within the Specified Area

Community	Number of Merchants Interviewed	Number of Businesses in Specified Area Where Impact Could be Directly Experienced[1]	Percentage of Those Interviewed in Relation to the Total Number of Eligible Businesses
Chemainus	22[2]	60	36%
Courtenay	12	32	37%
Campbell River	18	45	40%
Grand Forks	14	65	22%
Rossland	11	55	20%
Trail	12	80	15%
TOTAL	89	337	Average = 26%

Notes:

1 This may not be the total number of businesses within the specified area. We sought out those who we felt would be directly affected by revitalization such as merchants and restaurant owners (our two primary targets). Others interviewed were bank/credit union managers, real estate agents who deal with commercial property, tourist promotion societies and business organizations.

2 This number is from three designated areas within the community.

4.5 Problems With Data Collection

Problems regarding the collection of data required for evaluation of the DRP were experienced. Specifically they were: (1) problems of reliability and, (2) problems of availability.

1. *Reliability.* Conclusions about the program's effectiveness are partially based on qualitative data collection. As this is the case reliability is not always easily ascertained. Responses from interviewees have been accepted as reliable even though there is no way of determining their accuracy. There are bound to be distortions of memory and perception due to the presence of individual bias and as time elapses.

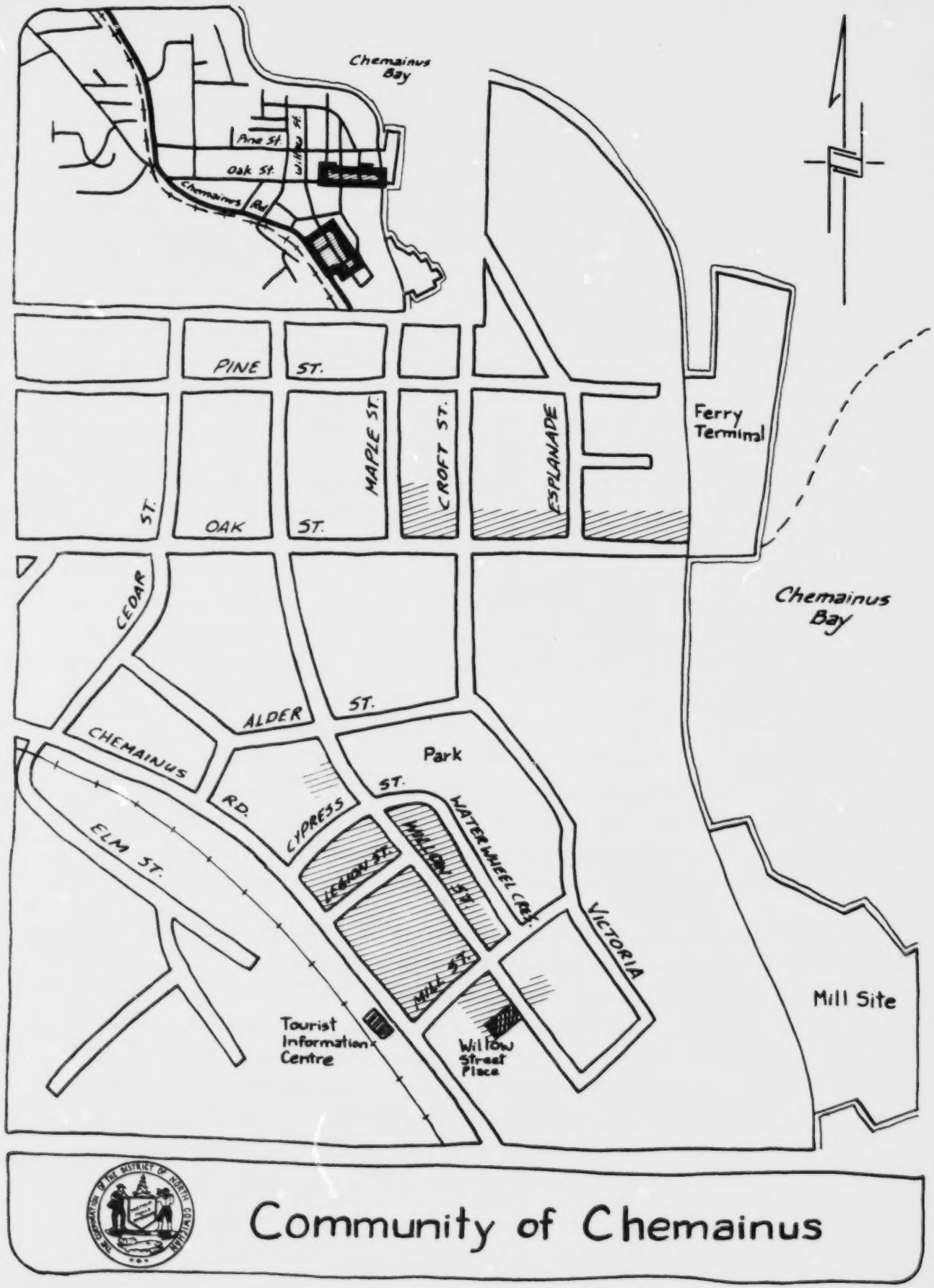
2. *Availability.* Data availability from some sources was also a problem encountered in this study. Problems centered around the lack of available data in some communities and the degree to which interviewees were willing to release pertinent information. Specifically:

   a) Completion of capital works in 1985 in both Trail and Grand Forks meant that insufficient time has elapsed to allow for indepth and accurate evaluation of impacts in such areas as sales, property values and employment. A follow-up evaluation completed in two to three years would better enable evaluators to accurately determine these impacts.

   b) Courtenay and Chemainus completed DRP capital works in 1981 and 1982 respectively. Since at least four years has passed since completion of capital works aspects of the revitalization project in these communities have been distorted or forgotten by both merchants and municipal contacts.

   c) Information on actual sales and employment figures received from merchants may be distorted. Some merchants are wary of government representatives and their motives for

requesting confidential information and so may withhold it or distort actual figures.



Community of Chemainus

5.0 RESULTS: CHEMAINUS

5.1 Description of the Study Area

Chemainus is a small community of 4,000 located approximately 90 kms (55 miles) north of Victoria. It is a town with a long history tied to the lumber industry. Since the 1860's and possibly earlier a sawmill has existed here, with MacMillan Bloedel the longest running operation in the Province. Up until its closure in early 1982, MacMillan Bloedel was a major employer of area residents. The Chemainus economy was supported by the company and its closure seriously threatened the future economic viability of Chemainus where at least twenty-five percent of the mill workers lived.

In the late 1970's as MacMillan Bloedel reduced employment at its Chemainus sawmill operation the downtown shopping core was feeling the competition of district shopping centres. The downtown area was in decline both economically and physically. The buildings were becoming run-down, the streets and sidewalks were in poor condition, the aesthetic appeal of downtown was virtually non-existent and there was a lack of coordinated marketing efforts among merchants. Overall, downtown Chemainus was not an attractive shopping environment and the merchants found it difficult to compete with the coordinated marketing programs of area shopping malls in Duncan and Nanaimo. The local merchants and politicians felt they needed to upgrade the physical environment of downtown as well as to coordinate land uses and businesses to complement one another rather than just have a haphazard collection of businesses.

When Mayor Graham P. Bruce took office in 1979 he established the Chemainus Development Committee with its goal to upgrade the community, particularly the downtown core. Following this a downtown businessmen's group was formed and public meetings were held to determine interest in and commitment to the revitalization of Chemainus' downtown core. All this was done prior to the announcement of the Provincial Downtown Revitalization Programme so that when it was announced the initial groundwork was already

established. The DRP was the catalyst that allowed the revitalization of Chemainus to become a reality.

In 1980 the District of North Cowichan applied to the Minister of Municipal Affairs to have Chemainus' downtown area ("The Big Z") designated as such under the Downtown Revitalization Programme. In February, 1981, they were given a start-up grant of $5,000 to assist them in completing a concept plan - and the revitalization of Chemainus had begun.

5.2 Project Overview

5.2.1 Work Completed in Chemainus

Downtown Chemainus, as designated by the Minister of Municipal Affairs, is composed of two specified areas - Chemainus-Willow Street and Chemainus - Oak Street. These two areas, plus Chemainus Road, comprise what is known as "The Big Z" revitalization project.

Willow Street and Oak Street capital works projects (Phase I) were completed in 1982, whereas Chemainus Road (Phase II) entered the programme at a later date and completed capital works in 1985. Actual work completed in Chemainus did not deviate from proposed plans submitted to the Ministry, according to the Schedule 'B' form attached to the submitted loan agreement required of those municipalities entering the programme. In the words of the District of North Cowichan's Administrator: "All objectives and more were attained". All work completed, from concept plans to the actual physical works, was done by municipal staff, construction contractor and the downtown revitalization coordinator.

In addition to the completion of capital works most commercial property owners in the designated downtown area have taken advantage of the facade improvement grants to upgrade their building exteriors. As well as facade improvements, murals, depicting local history and emphasizing the logging industry, have been painted by well-known artists on the walls of over a dozen buildings. A portion of mural costs came from facade improvement funds. To date, approximately $55,000 has been used by merchants for facade improvements.

Chemainus has utilized over $40,000 in promotional aid grants plus money to make a film promoting "The Little Town That Did". The promotional aid grants Chemainus has received have been used to stage special events and sales with varying innovative themes. Additionally, merchants participate in joint newspaper advertising campaigns and use shopping bags emblazoned with the town's logo, both of which have been partially financed through the promotional aid grant component of the programme.

In Chemainus the work completed under the Downtown Revitalization Programme has acted as a catalyst for the continuation of existing projects and the initiation of new ones. Its revitalization project has given Chemainus residents, the business community and local politicians a reason to be proud of their community and the impetus to work at continued improvements. It has provided the initial motivation to revive downtown physically and for local businesses to adapt their sales strategies, as well as goods and services, to the consumer market of the 1980's.

Overall, use of promotional campaigns is snowballing, Council and the business community are working closely with the Downtown Revitalization Programme Administrator on follow-up plans, and confidence about the future of Chemainus is high if improvements are continued.

5.2.2 Financial Aspects

Chemainus for its Phase I (Willow Street - Oak Street) downtown revitalization project took out a $235,000 capital improvement loan which includes the $10,000 design advance, with a two year interest free period and repayment amortized over ten years at a Municipal Finance Authority (M.F.A.) rate of 13.5%. The Phase II (Chemainus Road) project received a $347,500 capital improvement loan with a two year interest free period and repayment amortized over a three year period at a simple interest rate of 6%.

75% of the total cost of capital works completed in Chemainus came in the form of a loan from the Downtown Revitalization Programme. The District of North Cowichan was responsible for the remaining 25% of

costs. For the Willow Street and Oak Street capital works projects the District's share of costs incurred came out of their General Revenue Fund, and for Chemainus Road the money was allocated from their New Works Reserve Fund.

The cost of providing 58% of the works in the Willow Street specified area is being recovered by a levy on all lands and improvements within the municipality on the basis of assessment as fixed for general municipal purposes; the cost of providing 42% of the works in this area is being borne by the owners of property in the Willow Street specified area based on an ad valorem tax. The ad valorem tax was chosen by the District as it was felt to be the most equitable because it taxed property owners with the best approximation to benefits received.

In the Oak Street specified area 46% of costs are being recovered by a levy on all property within the municipality and 54% is being borne by the owners of property in the Oak Street specified area based on an ad valorem tax.

For the Chemainus Road capital works project the District of North Cowichan used short-term capital borrowing, governed under Section 344 of the Municipal Act, to finance the project rather than going to a specified area bylaw. The District could have gone to a Specified Area Bylaw but as Chemainus Road is a major access route the District as a whole benefits. Therefore, it was deemed to be more equitable to spread the cost over the entire District rather than asking the few businesses that exist on Chemainus Road to pay a disproportionate amount of the cost for work undertaken.

5.3 Impacts

5.3.1 Economic Impact

The Chemainus revitalization programme has been a great success in terms of economic benefits. Whereas Chemainus was a one industry town for all of its history prior to the revitalization project, now it has two industries, tourism and forestry. The downtown area has been rescued from a decline that started when the local sawmill began

laying-off workers and bottomed in 1982 when the MacMillan Bloedel sawmill ceased operations. The DRP was implemented in 1981, just before the sawmill shut down, and since that time the town's economy has improved dramatically, with tourism and services being expanded, and MacMillan Bloedel opening a new Chemainus sawmill.

Specific economic impacts evident in Chemainus are as follows:

1. *Employment*. The revitalization of Chemainus has been beneficial by providing new jobs for the area in the small business sector and by influencing MacMillan Bloedel's decision to open a new Chemainus sawmill.

   Of those Chemainus merchants we interviewed who had been in business since before the revitalization project, 58% have hired more employees since the project's implementation. The majority of new employment in established businesses is seasonal due to the increase in summer tourism, but regular full-time and part-time employment was also augmented.

   Since the downtown revitalization project began, 39 new businesses have opened. This has increased regular full-time and part-time employment substantially as well as seasonal employment, owing to the tourism orientation of most new businesses.

   In addition 130 jobs that cannot be directly attributed to the DRP have been created as a result of the new MacMillan Bloedel sawmill opening in Chemainus. There is a perception in the town, however, that the revitalization of Chemainus was a contributing factor in MacMillan Bloedel's decision to locate a new sawmill there.

2. *Property Assessments*. We collected assessment data for class 6 (business) property within the two Chemainus specified areas for the years 1979 - 1985.

   Assessed actual values for the Chemainus - Willow Street specified area show change between the period 1979 - 1981 and

1983 - 1985. Values for 1982 were discarded due to the extraordinary short-term increases in value they reflect from the property boom of 1981. The average value for the three years period 1983 - 1985 is 46% higher than for the three year period 1979 - 1981, a significant increase in the actual value of business property since the implementation of the DRP.

The assessed actual values for the Chemainus - Oak Street specified area have also demonstrated change since the implementation of the DRP. The average value for the three year period 1983 - 1985 is 718.46% higher than for 1979 - 1981 which is an overwhelming increase in actual value.

The changes in actual value for the two specified areas were compared to the changes in actual value totals for class 6 property in the District of North Cowichan as a whole. The average value in the district for the period 1983 - 1985 was 32.5% higher than for 1979 - 1981, but this is significantly less than for either specified area. Also, this figure of 32.5% is biased upward since it includes any newly zoned class 6 property since 1979, while the specified area figures are based on a fixed number of properties.

Overall, it appears that the Chemainus revitalization project has increased the actual value of business property within the two specified areas. The benefit to this expansion in the business tax base is that it allows greater tax revenue to be collected or redistribution of the tax burden amongst the various property classes.

3. *Market Share*. One objective of the DRP in Chemainus is to make the community more competitive with other business areas in the vicinity, such as Duncan and Nanaimo, in order to recapture local market share. The effort to achieve this has been centred around aggressive marketing of downtown and improvements to parking and roads.

86% of merchants interviewed said more people are currently transacting business in downtown Chemainus than before the DRP.

33% specifically mentioned an increase in local resident use of downtown as part of this increase in the number of people shopping downtown.

4. *Vacancies and Rentals.* In 1982, prior to implementation of the DRP in Chemainus, there were commercial property vacancies. Since the revitalization programme however, the reverse is true. There is now a shortage of business property necessitating the construction of new buildings and the conversion of residential buildings to business usages.

5. *Commercial Mix.* The commercial mix has altered significantly since the implementation of the DRP. There are 39 new businesses. Of these a very large proportion are restaurant, ice cream and sweet shops that cater to the summer tourist trade. Chemainus also has four new art galleries and several gift and antique shops catering to the large tourist influx in summer and throughout the year.

6. *Retail Sales.* The volume of retail business transacted in Chemainus has increased significantly as a result of the revitalization project. Of those merchants interviewed, 84% said their sales had increased since the project's implementation, many by as much as 40% and more.

The number of business licenses issued in the downtown specified areas increased sharply at the introduction of the DRP, from less than 600 in 1980, to 1500 in 1981 and more than 2000 in 1986. These figures reflect the large number of new businesses opening and the expansion of existing businesses to meet new demands from tourists and local residents.

The above shows that there has been considerable growth in the retail and services sector in Chemainus. An economy that is able to support more than three times as many businesses in 1986 than it did in 1980 must have improved. Overall, existing business has been significantly improved and new business opportunities are being created continuously in the downtown area.

7. *Spin-Off Investment*. Investment in the tourist industry has been a major part of the revitalization project's success in Chemainus.

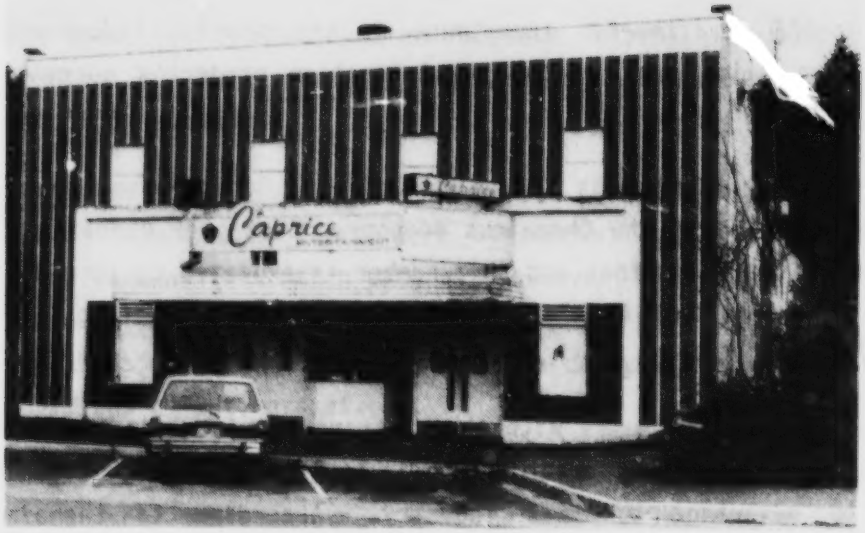
The shift in emphasis to two industries, forestry and tourism, has diversified the Chemainus economy. Last year Chemainus had over 100,000 visitors and this number is expected to increase as the Festival of Murals expands and as the marketing effort continues.

The 39 new businesses with their strong tourist orientation are further evidence of great growth in tourism and in investment to take advantage of that industry. According to Chemainus' revitalization coordinator it was hoped that tourism would become Chemainus' number two industry. Now however, despite the new sawmill, tourism is the number one industry in Chemainus mainly as a result of the DRP and the unique application of the mural theme to Chemainus.

5.3.2 Physical/Aesthetic Impacts

1. Numerous land-use changes have occurred in Chemainus that can be attributed, either entirely or in part, to the implementation of the Provincial Downtown Revitalization Programme.

   - the old, derelict Caprice Theatre building on Willow Street has had major structural and facade changes and now houses on ice cream and sandwich shop, a clothing shop and an art gallery.



These before and after pictures of the "Caprice" theatre depict the dramatic aesthetic changes possible with extensive facade improvement. A continuous canopy such as this one on Willow Street protects pedestrians from the elements and creates a mall effect along the street, especially with the use of lighting designed to improve pedestrian visibility and safety.

- the historic Masonic Hall on Willow has been converted into a tea room, gift shop, artists supply shop and gallery, and second-storey residences

- a furniture store has been condensed into smaller premises with the remainder of the building being converted into small shops that are primarily tourist oriented

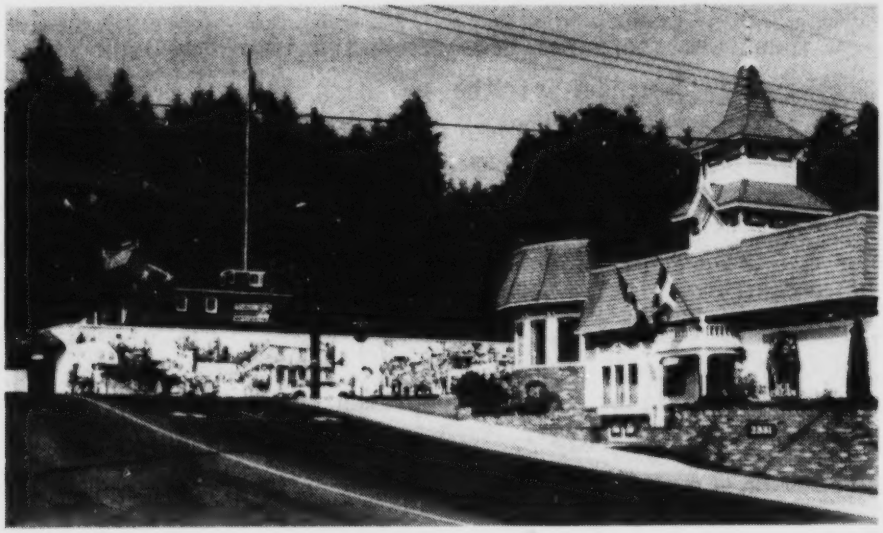
- the old warehouse building at the south end of Willow on the west side has been totally converted to hold small gift, food, ice cream shops and an art gallery with a Victorian style facade

- the bowling lanes are now complemented by the addition of a lounge and ice cream parlour to the building which has also been done in the Victorian architectural style

- a television store has recently been converted into a restaurant catering to the tourist industry

- a residence on Oak Street has also been converted into a restaurant

- a red caboose has been located beside the railroad tracks on Chemainus Road as a tourist information centre which promotes the role the E & N railway has played in Chemainus history and its present role of carrying tourists up-island. The E & N Railway office building used to stand here.



This picture depicts the Festival of Murals, the use of mock Victorian architecture as well as the strategic location of a red caboose that Chemainus is utilizing in its downtown revitalization project to stimulate the tourist industry. Note the use of complementary signage that is consistent throughout the community.

2. Parking and traffic circulation improvements that can be attributed to the Downtown Revitalization Programme include the following:

   - a one-way street system and angle parking on one side of Willow Street has replaced the two-way street and parallel parking on both sides that existed previously

   - an increased number of parking spaces on Willow street when parking was changed from parallel on both sides to angle one side of the street

   - parking lot construction on Chemainus Road and additional parking in the "Waterwheel Crescent" parking lot

   - improved access to parking for cars but particularly tour buses and recreation vehicles

- increased traffic volumes, and

- general improvements in lighting, landscaping and paving in particular

3. Improvements in municipal services and utilities.

   - new storm sewer catch basins have been installed

   - placement of some overhead hydro and telephone lines underground

4. Pedestrian access and circulation improvements.

   - sidewalks have been newly designed and widened

   - paving has been replaced

   - a "follow-the-footsteps" tour of the murals has been created

5. Physical integration of the project into the existing community.

   - the scale of physical works done under the Downtown Revitalization Programme fits into the existing scale of buildings

   - two styles are in evidence - a heritage/historical scheme and a more modern cedar and brick facade scheme

   - a vibrant and attractive character has been created which enhances the entire community

   - an emphasis has been on rehabilitation of existing buildings rather than replacement with new buildings

6. Beautification/Aesthetic elements.

   - sidewalks have been improved structurally and aesthetically by widening them using exposed aggregate concrete and placing a boardwalk in front of and around one complex of shops

- extensive street landscaping has been undertaken including the planting of trees and shrubs and the addition of planters and street furniture

- large planters act as a buffer between the road and sidewalk on parts of Willow Street

- decorative and functional lighting

- signage improvements such as the use of unique carved signs and colourful directional and fascia signs

- impressive facade improvements ranging from several unified brick and cedar facades to mock Victorian facades

- addition of decorative waste receptacles that were painted by local artists in a historical theme

- the addition of bed and breakfast rooms and an outdoor patio and restoration of the dining room to its original condition at the Horseshoe Bay Inn on Chemainus Road

- the murals project that draws on Chemainus historical roots and is a major tourist attraction.

- an air of mystery exists with the boardwalk surrounding the Willow Street Place Complex at the south end of Willow Street as it is aesthetically appealing and winds around corners inviting exploration.

This picture illustrates the use of different architectural styles in Chemainus which are complementary to one another. It also illustrates the use of consistent signage, planters and decorative lighting and sidewalk seating areas.

7. Improvements to public safety and convenience.

- pedestrian lighting has been improved
- new paving on both roads and sidewalks
- better orientation for both drivers and pedestrians as directional signs are more numerous, unique, bright and easy to see; and a map of the town that includes a business directory is centrally located for easy access.
- better protection for pedestrians from wind, sun and rain using canopies and awnings dominated by the continuous cedar canopy on both Willow and Oak Streets.
- installation of public washrooms and tourist information centre.

Discussion of Physical/Aesthetic Impacts

Downtown is the focal point of Chemainus and the physical design elements of their downtown revitalization project reflects the spirit of the town and gives pleasure to merchants, shoppers and tourists alike. The physical and aesthetic improvements that have been completed are the most visible impacts resulting from their revitalization project. These physical changes are only one component of the programme but since they are highly visible they are the ones that most people judge the success of the programme by.

The positive physical and aesthetic changes are outstanding in Chemainus and a sense of history and place has been stirred-up in residents with the use of the area's historical roots in the forest industry as a central theme. An awareness of the past is an extremely important element in stimulating a person's love of place, and pride in one's community is enhanced if a sense of place exists. Pride in the community is aroused by the responses to the tangible improvements in the appearance of downtown and Chemainus has done an admirable job of revitalizing its downtown and recapturing the spirit of its heritage which in turn has improved attitudes towards it.

In addition to the extensive and eye-catching facade improvements most commercial property owners have undertaken, the murals project has added a new dimension to the visual impact downtown Chemainus has on those who are seeing it for the very first time and those who see it every day. As well the improvement or complete replacement of streets, sidewalks, parking lots, and the integration of streetscape elements such as decorative lights, trees, planters, benches and artistic waste receptacles all have influenced the general public's aesthetic appreciation of downtown Chemainus.

Of those people interviewed in Chemainus 91% are pleased with overall downtown revitalization improvements. No one was dissatisfied but 9% did not know if they were pleased or not with improvements undertaken. Many respondents are impressed with what has been done so far but feel it has to be continued and more emphasis put on Oak Street and Chemainus Road. Also mentioned was the need to maintain a

theme and keep the quality of both murals and facade improvements high.

78% of those interviewed felt that facade improvements, in particular, met or actually exceeded their visual expectations. 9% said the facade improvements did not meet their visual expectations and 13% did not have any prior expectations. Overwhelmingly merchants and municipal contacts are positive about the physical changes that have been undertaken in downtown Chemainus.

5.3.3 Attitudinal Impact

The Chemainus Downtown Revitalization Programme has had a positive impact on the attitudes of merchants in the downtown area. The improved attitudes of merchants have manifested themselves in various ways in Chemainus.

1. There are several merchants' organizations in Chemainus including the Chamber of Commerce, the Chemainus Development Committee and the Chemainus Downtown Merchants Committee. 80% of merchants interviewed were members of one or more organizations.

   Membership in the Chamber of Commerce, the largest and most important local business organization has increased from 25 to 75 members since the revitalization project's implementation.

   The level of activity in the Chamber of Commerce has increased with the addition of new members, many of whom are very energetic and progressive and provide leadership to less committed members.

   The other two business organizations, the Chemainus Development Committee and the Chemainus Downtown Merchants' Committee are advisory boards chaired by North Cowichan's mayor.

2. The quality of the inter-merchant relationship has improved since Chemainus' revitalization project was implemented, according to 67% of merchants interviewed. 88% of merchants interviewed said the relationship was good at present.

The reason for the improvement in the inter-merchant relationship was attributed to the way the revitalization project brought the individual merchants together during the planning and implementation stages. 40% of merchants interviewed had been directly involved with the project during these stages (many merchants interviewed were new so this figure of 40% is biased downward).

3. 91% of merchants interviewed said that they were confident about the future of Chemainus. With businesses prospering the pessimistic attitudes present at the time of the sawmill's closure have dissipated. Some responses were qualified as merchants added that confidence would remain high as long as the high quality of the revitalization project is maintained.

   A willingness to take risks in the areas of promotion, renovations and merchandising is a good indication of an optimistic attitude toward business in Chemainus. Both the promotion aid and facade improvement incentive programs were extensively subscribed to in Chemainus indicating the merchant's willingness to invest in their own businesses. Improvements in merchandising were also a key feature of Chemainus' revitalization with the choice of goods increased substantially. Another indicator of willingness to take risks has been the entry of 39 new business into the Chemainus market.

5.4 Programme Delivery

5.4.1 Overview of Delivery System

As the initial step in the downtown revitalization process Chemainus had its downtown area designated by the Minister of Municipal Affairs in December, 1980. Within 'downtown' three separate areas were distinguished - Chemainus - Oak Street and Chemainus - Willow Street (Phase I) which were seen as a priority for undertaking revitalization work, and Chemainus Road which was not as high of a priority as the other two areas.

The start-up grant for the Willow Street and Oak Street combined area was paid out in February, 1981 and the design advance loan forwarded to the District of North Cowichan in August, 1981. For the Chemainus Road area the start-up grant was paid out in September, 1982 and the design advance loan forwarded to the District in April, 1983.

The start-up grant received by Chemainus for the Willow Street - Oak Street areas was used to employ a local businessman as the downtown revitalization coordinator, and at this initial stage in the programme, to undertake the task of completing a concept plan for these two areas.

For the Chemainus Road project the start-up grant was used to develop a concept plan for the revitalization works proposed for that area.

The $10,000 design advance loans for both the Willow Street-Oak Street and Chemainus Road projects were used to complete working drawings and plans for revitalization works in these areas.

An initial $4,000 promotional aid grant was forwarded to the municipality in December, 1981 to assist in the Chemainus Business Association's 1981 promotional campaigns. Subsequent to the the initial $4,000 approximately $35,000 more has been utilized by the business association for marketing and promotional campaigns aimed at the local, national and international marketplace. Promotional aid money Chemainus received has been utilized to promote the entire downtown area encompassing Chemainus Road and the Willow Street and Oak Street specified areas.

In July, 1981 approval came from the Ministry for $100,000 to be allocated for Chemainus to assist property owners in the facade improvement component of the Programme. To date approximately $50,000 has been utilized for facade improvements and the murals project within the designated downtown area.

Also in July of 1981 a $225,000 capital improvement loan to undertake capital works in the Willow Street and Oak Street areas was given approval-in-principle. Following ministerial approval of the capital improvement loan a petition for a specified area bylaw was initiated

by the District to inform property owners within the proposed specified areas of revitalization plans, receive acknowledgement of the distribution of costs and repayment responsibilities under the Downtown Revitalization Programme, and their commitment to the programme. After the property owners commitment was determined and the petition received by the District of North Cowichan's Council the specified area bylaws for Chemainus-Willow Street and Chemainus-Oak Street were established by the District of North Cowichan. The bylaws were then sent to the Ministry of Municipal Affairs for approval by the Inspector of Municipalities. Once approval and copies of the capital improvement loan agreement were received by the district the capital works component of the Downtown Revitalization Programme commenced. Upon completion of capital works in 1982 the District submitted their claim for the $225,000 which had been allocated for their project and received this amount in July, 1982.

The capital works project completed on Chemainus Road was funded separately from the Willow Street-Oak Street capital works project. Approval-in-principle for their $347,500 capital improvement loan was granted in April, 1983. They requested payment of this amount after capital works were completed and received it in February, 1985. The funding for this project was arranged through short-term capital borrowing, as previously stated, therefore the adoption of a specified area bylaw was not necessary.

5.4.2 Programme Delivery Evaluation

Responses - Merchants and Property Owners

Of twenty-two merchants interviewed 41% "directly" participated in the facade improvement grant component of the programme. "Directly" refers to those who own the building they are in, or own the building others are leasing from them, but applied for the grant themselves.

1. Of the 41% who participated 100% felt that the facade improvement grant was easy to apply for. The revitalization coordinator aided the process tremendously as he went around to each merchant and property owner to explain the grant programme to them and solicit their commitment to participate in it.

2. Again, 100% of participants in the facade improvement component felt that the grant application process was efficient. The revitalization coordinator guided each applicant through the process and forwarded application forms on to the municipal building inspector.

3. 100% felt that the 20% (or $200/metre) grant was enough money to aid them in completing facade improvements on their building. The Grant was perceived as an incentive and in some cases the primary factor which instigated involvement. Many felt that more than 20% granted to property owners would be a hand-out and not act as the incentive it is meant to be.

4. 73% said their visual expectations were met, 50% of these said their expectations were actually exceeded. 9% said that their expectations were not met because more of a theme should have been carried by those undertaking the facade improvements. 18% didn't know if their visual expectations had been met as they said they had no expectations.

5. 90% felt they were given sufficient guidance when entering the facade improvement component of the programme while 10% felt not enough guidance was given by the local revitalization coordinator as they were not aware any money was available. Most though felt that they were given sufficient information on the programme and that the coordinator's role was instrumental in the dissemination of pertinent information.

6. 90% said that benefits they have received exceed the costs incurred in making facade improvements. The remaining 10% did not feel benefits had exceeded costs incurred as yet but that in the long-run they would.

7. Overwhelmingly, 100% agreed that the facade improvement programme was well worth participating in and that they were very pleased with the success of it in Chemainus.

Responses - Municipal Contacts

The North Cowichan District Administrator, who played a major role in administering the programme locally, was interviewed, as was the District Treasurer. Our line of questioning focused primarily on delivery of all components of the Downtown Revitalization Programme.

Objectives of the Ministry's Downtown Revitalization Programme were clear to the municipality when they were embarking upon the programme and they strove to work with these objectives to create an identity for Chemainus separate from MacMillan-Bloedel, and to redevelop an area that had fallen behind the times.

1. The first question focused on delivery of the start-up grant and whether the municipality had experienced any problems with it. In their opinion the $5,000 grant to undertake concept plans and related preparatory work was not sufficient and that an increase was desirable but no amount was determined to be more appropriate. The criteria regarding the grant were clear to the municipality and they received sufficient follow-up and excellent support from the ministry's DRP administrator.

2. Regarding delivery of the design advance loan it was felt that the $10,000 advance loan was not sufficient due to the high level of expertise required to complete a design concept plan. $25,000 was suggested as a more appropriate figure. It was also suggested that the amount advanced to a municipality should be determined by a sliding scale and vary with the scale of project undertaken and costs involved. According to the municipality there were no problems with the design advance loan application procedure. Guidance from the DRP administrator was sufficient according to the municipality and they felt he was very supportive.

3. No problems were encountered by the municipality regarding delivery of the capital improvement loan. They felt the amount of loan was sufficient, the application procedure and criteria

were very clear and the administrator gave good follow-up services and advice.

4. Again, no problems were encountered with the delivery of the promotional aid grant. They were very positive about this grant. It is felt that it was a good investment and what was achieved in Chemainus is an excellent example for the Province of what well planned promotional schemes can achieve. It was also stated that the administrator kept in close touch with the situation in Chemainus.

In addition to questions on specific components of the programme we asked for suggestions on ways to improve the delivery of the DRP in general and were told that there should be no real changes other than possibly an increase in amounts allowed for both the start-up grant and the design advance loan.

5.5 Conclusion

Chemainus is an extremely successful example of what the B.C. Downtown Revitalization Programme can accomplish with the support of local politicians, business people and residents. Their downtown revitalization project was so successful, even in early stages, that in 1982 they were awarded first prize in the International Downtown Development Awards competition sponsored by the New York Downtown Research and Development Centre. Chemainus was the only Canadian city and the smallest town entered. This is quite an accomplishment for a small town many felt did not have much of a chance for revival when MacMillan Bloedel closed the doors of its sawmill operation in 1982.

In terms of economic benefits the DRP has aided Chemainus in the stimulation and diversification of its economy. New jobs have been created in the small business and forestry sectors. 58% of merchants who were in business prior to the DRP have hired more employees and approximately 40 new businesses have opened since completion of the major revitalization works in 1982.

Commercial property values within the downtown specified areas have increased substantially in the past four years, well above increases in value for commercial property in the rest of the district. Also, there is currently a shortage of downtown commercial property, whereas prior to participation in the DRP there were numerous vacancies.

Chemainus merchants now feel better equipped to compete in the region's consumer marketplace. Coordinated promotions and diversification of merchandise have helped to put merchants in a more competitive position. 86% of merchants said there has been an increase in the number of people transacting business downtown.

Current market orientation is towards tourism as well as the supply of goods and services to area residents. Most new businesses are tourist oriented. Overall the volume of sales is up. 84% of merchants said sales have increased by as much as 40% or more. Also, the number of business licences issued in 1986 is three times the number issued in 1980.

Investment in the tourist industry is a major component of the DRP's success in Chemainus. The Festival of Murals and general attractiveness of the downtown core attracted over 100,000 visitors in 1985. It is also widely believed that the revitalized town influenced MacMillan Bloedel's recent decision to open a new sawmill operation here.

Numerous physical changes have resulted from the DRP that enhance the attractiveness of the core and give it a more vibrant and colourful character. Traffic circulation, parking and pedestrian convenience have also been improved. The most visible change is the Festival of Murals project that began with the revitalization project's inception in 1981 and is to be continued indefinitely. Physical improvements still need to be emphasized on Chemainus Road.

The DRP has had an extremely positive impact on attitudes towards, and confidence in, downtown. Membership in the Chamber of Commerce has tripled since 1981. The working relationship between merchants has improved and over 90% are confident about the future of Chemainus

as long as the quality of murals, physical works, facades and promotions are kept high.

All components of the DRP were easy to apply for and follow-up from the administrator was frequent. The start-up grant and design advance loan were deemed as being insufficient for the completion of concept plans and working drawings, particularly if outside expertise is required. The capital improvement loan was sufficient for its purpose. The 20% facade improvement grant was enough to help merchants complete facade improvements and it has been successful as an incentive. Many merchants felt that more than a 20% grant would be a hand out. 90% of merchants said that benefits have exceeded costs, and everyone said the programme was well worth participating in.

The existence of a local downtown revitalization coordinator was seen as instrumental in making the DRP such a success in Chemainus. His job is to promote the benefits of, help people understand and gain support for the DRP, as well as aiding merchants in applying for grants and developing a facade theme. He also acts as a liaison between provincial and municipal levels of government, merchants and townspeople.

Overall, the DRP in Chemainus is an outstanding success and they continue to expand upon the revitalization of their community that would never have become a reality without the financial support and flexibility of the Provincial Downtown Revitalization Programme.

5.6 Recommendations

Following the in-depth evaluation of Chemainus' downtown revitalization project a number of recommendations can be made:

1. It is recommended that more of a distinctive link between Willow Street and Oak Street areas be created. To accomplish this a highly visible sign and/or archway could be erected at ends of the existing pathway to make people aware of the existence and close proximity of the two areas. Also, it is suggested that a

more appealing and clearly defined path through Waterwheel Park be created that could include informative points of interest.

2. MacMillan Bloedel's vacant property on Chemainus Road is a highly valuable piece of land and must be developed in some way. It could be developed as a forestry theme park, a recreational vehicle park, a natural landscaped park to be used for recreational activities, a condominium/townhouse development, a hotel or any number of alternatives, as long as it becomes fully productive.

3. The new mural "World in Motion" on Chemainus Road, plus other recent improvements to this area have added to the appeal of downtown and has drawn more people up onto Chemainus Road. More improvements of this sort on both Chemainus Road and Oak Street must be actively encouraged.

4. The area surrounding the entrance to Chemainus Road by the Horseshoe Bay Inn and Golf Course needs to be improved physically. A basic clean up and landscaping programme would be appropriate.

5. The high standard shown in Chemainus from overall cleanliness to murals, facade improvements and signage must be a top priority of the Festival of Murals Office, the Chamber of Commerce, Merchants Associations, the municipal council and the people of Chemanius.

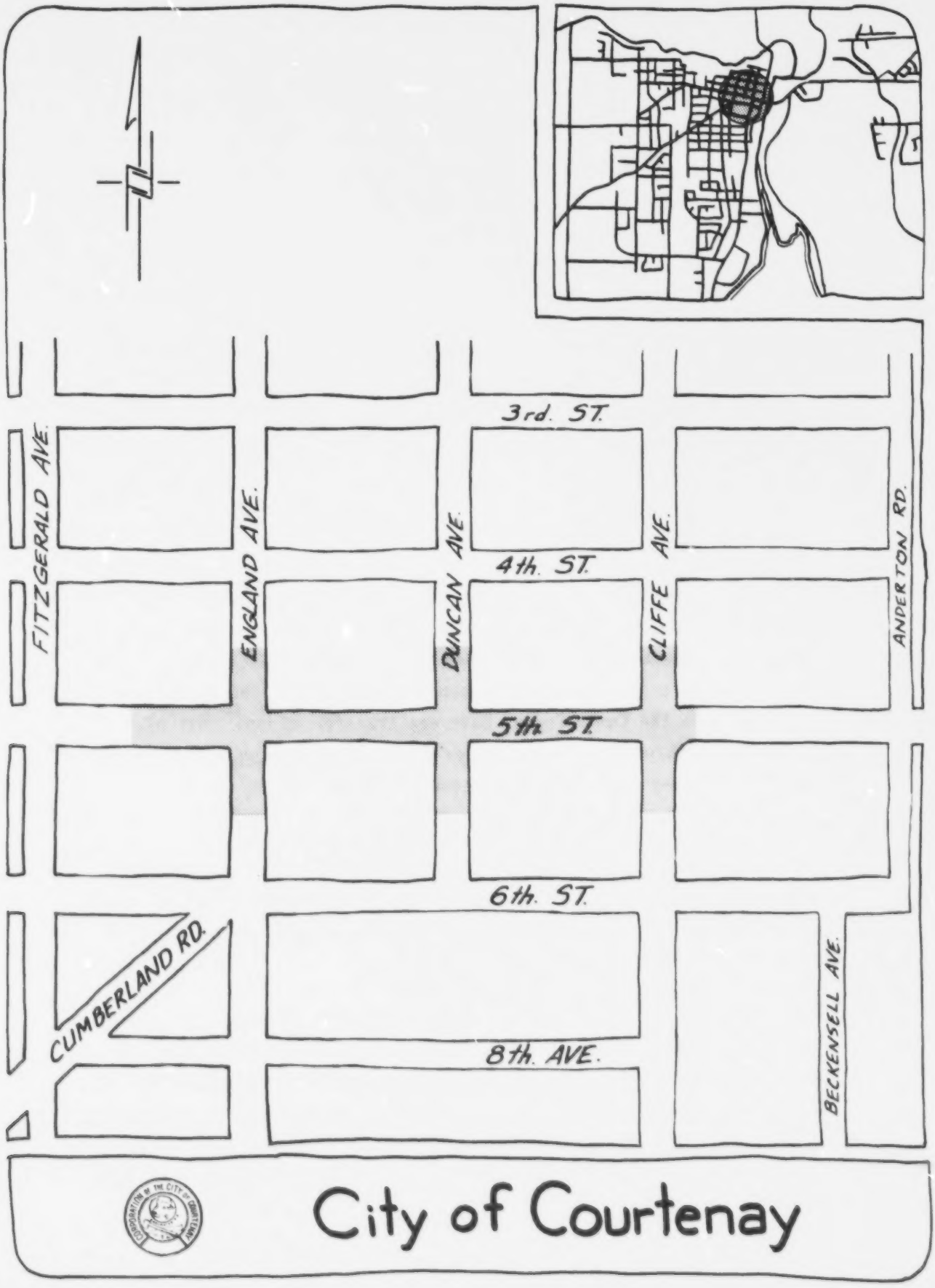
6. Signage on the highway is one area that needs improvement if the quality is to remain high. The standard highway signs that have recently been erected near the entry road to Chemainus may be acceptable for most communities but not Chemainus as they are trying to establish a unique identity that requires unique signage on the highway as well as throughout the community. In particular, the carved wood sign located south of the Chemainus turn-off is an exceptional entry feature that must remain.

7. The Festival of Murals and promotional activities related to the whole community and its unique image as the "Little Town That

Did" must be kept separate from other promotional activities dealing with the marketing of consumer goods and services. Chemainus has worked hard to establish the Festival of Murals office separate from other existing merchants promotional groups and this separate identity should be maintained.

8. It is recommended that someone be hired to replace the current downtown revitalization coordinator who is resigning at the end of 1986. It is imperative to have someone oversee the continuing revitalization improvements, including murals, and encourage further merchant participation throughout the community. Chemainus needs to have a "Mr. Downtown" who keeps the enthusiasm for revitalization high.

9. As Chemainus is quickly becoming a major tourist destination emphasis should be put on developing a marina complex for pleasure boaters and building a hotel to accommodate visitors, who must now stay elsewhere in the area.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6th. ST.
8th. AVE.
FITZGERALD AVE.
ENGLAND AVE.
DUNCAN AVE.
CLIFFE AVE.
ANDERTON RD.
CUMBERLAND RD.
BECKENSELL AVE.
City of Courtenay

6.0 COURTENAY

6.1 Description of the Study Area

Courtenay is a mid-sized community with a population of 9,500 located approximately 220 kms (135 miles) north of Victoria on the east coast of Vancouver Island. The city was incorporated in 1915 and its economy was originally based on primary industries focusing on the provision of fishing boat and lumber handling facilities due to its strategic location on the Courtenay River. Currently the largest part of the labour force is employed in retail, service and government work. The Comox Forces Base, located only four miles away from Courtenay, is one of the major contributors to the City's economy. Additionally, the Comox Valley's large agricultural base has a positive impact on Courtenay's economy, as does the area's burgeoning ski industry.

In 1975 a shopping centre was built on the City's fringe which, along with the shopping centres in Nanaimo, is competing with downtown businesses that do not benefit from the all-encompassing and coordinated marketing schemes and centralized management of the malls. In more recent years a general recession hit the Island and a squadron from the Comox Forces Base was transferred out. All of this combined to throw the City into an economic recession in the early 1980's that they are currently recovering from.

Business was declining in the downtown core prior to their downtown revitalization project, and the physical condition of roads, curbs, sidewalks and lighting in particular were deteriorating and in need of upgrading. In addition some greenery was needed to break up the monotony of concrete and asphalt.

The need to have a strong and viable downtown core was recognized early by the City and over the past fifteen years they have undertaken numerous improvements to their community, the latest of which is involvement in the Province's Downtown Revitalization Programme. The City Council strongly supports the continued development of the downtown commercial area and just prior to

Courtenay's involvement in the DRP most property owners took it upon themselves to improve their building facades.

In the Spring of 1980 Courtenay wrote to the Minister expressing its interest in participating in the then proposed DRP. They had already been working on a scheme, along with local merchants, to revitalize their downtown core but when it was realized that the DRP was soon to be legislated they delayed taking any further action on their plans until they received word regarding participation in the programme.

In December, 1980, Courtenay received its downtown area designation from the Minister and so then could initiate further participation in the various components of the programme. As concept plans were already being completed by City staff and no consultant was to be hired to aid in completion of these initial conceptual plans they did not make use of the start-up grant at the outset but did receive it in October, 1981, following completion of their revitalization project. As much groundwork had been done, Courtenay, after receiving downtown designation, was well on its way to accomplishing its goals for revitalizing the downtown core and were actually the first community to enter into a capital improvement loan agreement.

6.2 Programme Overview

6.2.1 Work Completed

Downtown Courtenay, as designated by the Minister of Municipal Affairs is composed of only one specified area, the "5th Street - Cliffe Avenue - England Avenue Specified Area", covering two city blocks on 5th Street from Cliffe Avenue to England Avenue and also including Duncan Avenue.

The capital works project was completed in 1981. Actual work completed in Courtenay did not deviate from proposed plans submitted to the Ministry, according to the Schedule 'B' form attached to the submitted loan agreement required of those municipalities entering the programme. All work completed in Courtenay, from concept plans to the actual physical works, was done by municipal staff and

construction contractors. No consultants, local or outside, were hired to assist with any aspect of the project.

In addition to the completion of capital works few commercial property owners in the designated downtown area were eligible to take advantage of the facade improvement grants to upgrade their building exteriors. Only a few merchants benefited from the grants as most property owners within the designated area had taken it upon themselves to extensively improve the facades of their buildings prior to the completion of the Downtown Revitalization Programme, and the grants were not available retroactively. In total, approximately $10,000 was utilized by merchants to make facade improvements between 1981 and 1984.

Courtenay, through the Downtown Merchant's Association has utilized over $40,000 in promotional aid grants. The grants Courtenay has received have been used to organize and stage special events and sales such as an annual market days celebration, a midnight madness sale, a pumpkin festival, Octoberfest and a marathon madness event which was staged in conjunction with the B.C. Summer Games in 1981. In 1982 the merchant's association began to publish "The Downtowner" a newspaper aimed at promoting the core commercial area by using positive advertisements and articles. The idea for this came from the seminar on downtown revitalization held in Salmon Arm in 1982, and is an excellent example of 'up-beat' marketing that can be done by an aggressive merchant's association to promote a community's downtown.

In addition to completion of its downtown revitalization project, Courtenay, in the past number of years, has constructed a downtown Civic Theatre and Square complex, developed a garden square and rest area in the town centre and constructed a riverside leisure path in the downtown vicinity. The support that Courtenay has contributed to its downtown commercial area has given residents and the business community cause to be proud of their community and the impetus to work at continued improvements.

Overall, the Downtown Revitalization Programme has provided additional amenities in Courtenay and enhanced the pedestrian environment, making downtown a very attractive shopping district. It has also prompted local business people to adapt sales strategies, merchandise selection and services to the tastes of contemporary consumers.

6.2.2 Financial Aspects

Courtenay, for its downtown revitalization project, took out a $210,400 capital improvement loan, under the DRP, with a repayment schedule that allowed a two year interest free period and then repayment amortized over ten years at a Municipal Finance Authority (M.F.A.) rate of 13.5%. The City did not take advantage of the $10,000 design advance loan.

As 75% of the total cost of capital works completed in Courtenay was covered by a low interest loan from the DRP, the Corporation of the City of Courtenay was responsible for the remaining 25% of costs. The city's 25% share of costs incurred for their capital works project was raised by embarking upon a ten-year borrowing plan through the M.F.A.

Two-thirds of the cost of providing the capital works undertaken in Courtenay is being borne by the owners of property in the specified area. The costs are being recovered, over such a period of time as is necessary, by the imposition of a frontage tax. The remaining one-third of the cost of providing the capital works is being borne by the City of Courtenay. The frontage tax was chosen by the municipality as it was considered the most equitable method of recovering the money, and property owners within the Specified Area were unanimously in favour of this form of taxation.

6.3 Impacts

6.3.1 Economic Impacts

Courtenay has benefited significantly from participation in the DRP. The need for revitalization of the downtown area was perceived early

on in Courtenay, which was the first B.C. community to sign a Capital Improvement Loan agreement with the Province.

Two reasons for the importance of the revitalization programme to Courtenay were evident:

1. With the Courtenay area in the midst of an economic recession in the early 1980's, the revitalization project was a welcome improvement to an increasingly negative situation in the downtown core. Through the physical improvements carried out, the revitalization project announced that the downtown was improving and that retail and service businesses were viable.

2. The future of the Courtenay economy is planned around four anchor industries:

   a) provision of services to the Comox Valley
   b) employment at CFB Comox
   c) tourism
   d) retirement

   Both the latter industries are highly dependent on the physical environment of the downtown core area since it provides Courtenay with its strongest identity.

The actual economic impacts of the Courtenay revitalization project were discussed with local merchants and municipal staff. They are as follows:

1. *Employment*. 18% of merchants interviewed said they had been able to hire employees due to improved sales directly attributable to the revitalization programme. Others mentioned that they had maintained staffing levels that would otherwise have been reduced without the program's implementation.

2. *Property Assessments*. The impact of the revitalization project on assessed actual values in the Fifth Street specified area appears to indicate some changes as a result of the DRP. The trend in assessed actual values within the specified area shows little increase over the period 1979-1981 while that in the

Courtenay area increased significantly (+3.15% vs. + 21.87%). However, for the period 1983-1985 the reverse seems to be true (+21.02% vs. + 8.22%). It appears conclusive that the property in the specified area has appreciated considerably since the revitalization project.

3. *Market Share.* The downtown area lost market share during the late 1970's and early 1980's to shopping malls built in Courtenay and Nanaimo. Some businesses abandoned the downtown area to enter the mall built on the periphery of Courtenay. Merchants told us that this new competition was a major factor in the decline of the downtown area.

   However, according to 50% of the merchants we interviewed, the number of people shopping downtown has increased since the revitalization project was implemented. Shoppers appreciate the improved downtown amenities (benches, canopies, sidewalks, etc.), while the promotions effort (subsidized through the promotion aid grant) has been effective in making residents aware of downtown as a retail service centre.

4. *Vacancies and Rentals.* According to the real estate agents we interviewed, the Courtenay revitalization project has reduced the number of vacancies and improved rental rates for commercial property in the downtown area.

   There were vacant shops in Courtenay prior to the DRP, but now any vacancy created is quickly filled. Generally the downtown area is more stable with fewer vacancies.

   Rental rates for business property have increased and stabilized about 10-15% above previous levels as a result of the DRP. Some of this increase is attributable to the higher frontage taxes now paid downtown for repayment of the capital improvement loan.

5. *Retail Sales.* The Courtenay revitalization project has had a positive impact on retail sales downtown. 50% of merchants interviewed said that their sales had increased since the revitalization project. The reasons offered for this increase

are that people feel more a part of the revitalized downtown and that merchant promotions have been successful.

The contrary opinion was expressed by some merchants based on their concerns over parking. Concrete planters installed in Courtenay are a problem because their placement has removed parking spaces from in front of some shops. Despite increased free lot parking some merchants claim that the loss of on-street parking has hurt their sales.

6. *Spin-offs Investment*. The DRP has resulted in spin-off investment expenditures by merchants in Courtenay. 67% of merchants said that they had been prompted by the DRP to make improvements to their business beyond those funded by the facade improvement grant. It appears that the DRP was necessary to stimulate investment by local merchants in their businesses.

   Further spin-off investment in the local tourist industry is likely in the future as Courtenay tries to increase its stature as a summer and winter tourist destination.

6.3.2 Physical/Aesthetic Impacts

1. Land use changes in Courtenay resulting from the DRP have been minimal and really only one change has been made that being the old Eaton's building at the corner of 5th Street and England Avenue which has been converted into an indoor mall.

   Other land use changes have occurred as part of Courtenay's own physical revitalization initiative such as the creation of a small park, riverside walking trail and cultural centre

2. Parking and traffic circulation improvements have been minimal in Courtenay and according to some parking is worse now than before the DRP

   - a number of parking spaces on 5th Street have been lost due to construction of amenity areas and planters.

- two or three planters have been removed as merchants complained about the lack of parking.

- access to parking on 5th Avenue is said to be more difficult due to the position of planters and rest areas jutting out into the street.

This picture illustrates the planters that are causing all the problems here. It also illustrates the effective use of mid-block crosswalks and cedar shake canopies.

3. No improvements to municipal services and utilities have occurred in Courtenay as a result of the DRP.

4. Pedestrian access and circulation improvements.

   - sidewalks were removed and replaced using decorative brick paving stones.

   - crosswalks in decorative brick have been constructed at the ends of and between blocks for pedestrian convenience.

5. Physical integration of the project into the existing community.

- revitalization in Courtenay was done on a medium scale with roadworks, sidewalks and lighting being the most extensive component of the project

- no unified style for facades but are complementary

- general character is modern

- no change in vehicle or pedestrian circulation with the exception of new crosswalks

6. Beautification/Aesthetic Elements.

- improved sidewalks and crosswalks using decorative paving stones.

- addition of street landscaping including planters, trees and shrubs.

- installation of benches and ornamental lighting

- facade improvements are extensive on 5th Street. Most property owners improved their facades prior to the DRP. Almost all incorporated canopies or awnings into their facade improvements to protect shoppers from the elements.

- canopies/awnings/facades are varied but cedar shakes were used extensively. No theme was used but the overall effect blends in well with amenities provided through the DRP

This picture illustrates the extensive use of cedar and the canopy system utilized here. Also note the use of decorative lighting mid-block, and overhead lights at intersections.

7. Improvements to public safety and convenience.

   - paving has been improved on both roads and sidewalks.
   - there is now protection for pedestrians from wind, sun and rain via canopies and awnings.
   - benches for shopper's convenience.

Discussion of Physical/Aesthetic Impacts

Downtown, as in most communities, is the central focus of Courtenay and with their downtown revitalization project they have tried to capture the intimacy and pedestrian orientation of an old-world city. Most impressive about Courtenay is the extensive canopy system that has been installed along 5th Street with liberal use of cedar shakes. As with Chemainus, the physical and aesthetic improvements are the most visible impacts of Courtenay's downtown revitalization project and are the ones which impress upon people the most.

There are both positive and negative physical/aesthetic aspects of Courtenay's revitalization project. A few people commented that the final outcome of the DRP was not how it had been visualized, but that the facade improvements are very impressive and the cooperative attitudes fostered by both merchants and local government towards the physical revitalization of their downtown core is encouraging.

Of those people interviewed in Courtenay 75% are pleased with overall downtown revitalization improvements. 17% were not pleased and 8% were not sure how they felt. Even though most are happy with overall improvements everyone had negative comments about one aspect of the project - the planters. For many the loss of parking is the biggest problem and having to parallel park into remaining spaces is very difficult as planters protrude into the road and numerous people have run into them. A few planters have been removed as merchants and shoppers complained until something was done about them. Many people also commented on the poor quality of workmanship shown in construction of the planters. This design feature is unique to Courtenay and is not a problem of the overall programme. Inappropriate design and the fact that, in their opinion, ideas were implemented too quickly hindered the achievement of optimum results. In a more positive light others were impressed with the decorative sidewalks and street lights in particular. Also, many were favourable about the benches and said they were well utilized.

75% of those interviewed felt facade improvements in particular met their visual expectations, and the remaining 25% did not have their visual expectations met.

Overall, most people interviewed felt the physical changes undertaken downtown are a vast improvement upon what existed prior to participation in the Downtown Revitalization Programme, and except for a few small design related problems are happy with how it looks.

6.3.3 Attitudinal Impacts

The fact that Courtenay was the first municipality in B.C. to undertake a revitalization project through the DRP is due in large part to the existence of positive attitudes and cooperative behaviour

of downtown merchants and the municipal government that existed prior to the programme. The impact of the revitalization programme on the attitudes of those involved in the downtown is as follows:

1. There are two business organizations in Courtenay, the Chamber of Commerce and the Downtown Merchant's Association. Only the Downtown Merchant's Association plays a significant role in the downtown area since the Chamber represents other business and industrial concerns. 92% of merchants interviewed in Courtenay were members of the Downtown Merchant's Association.

   Membership in the Downtown Merchant's Association has stayed fairly constant with little room for increase due to the high proportion of merchants already in the association and the fact that the number of businesses in the downtown area has remained stable.

   The level of activity in the Merchant's Association has always been good and the assistance of the promotion aid grant has allowed for continued strong performances during the recession of the early 1980's.

2. The quality of the inter-merchant relationship in Courtenay is good according to 100% of those merchants interviewed. The relationship has improved since revitalization according to 36% of merchants while 45% said it had not improved as the relationship between merchants was already very good.

   Some merchants mentioned that the relationship between themselves and with local government had improved during the planning and implementation of the revitalization project. This is because everyone had to work cooperatively on the plans.

3. 83% said they were confident about the future of Courtenay. Some of these responses and those of merchants who were unsure or pessimistic about the future were based on the problem with the concrete planters. Without this particular concern more merchants would have been more confident about the future of the

downtown area. Confidence was also manifested in the way merchants undertook exterior renovations and joint promotions.

Overall, it appears that the Downtown Revitalization Programme has prompted a more confident attitude toward doing business in Courtenay's downtown area. In fact, merchants in the area peripheral to the specified area expressed a desire to be included in future revitalization projects despite the increased costs to them.

6.4 Programme Delivery

6.4.1 Overview of Delivery System

Courtenay, as its initial step in the downtown revitalization process, had its downtown area designated by the Minister of Municipal Affairs in December, 1980. The $5,000 start-up grant was paid out to Courtenay in October, 1981, after their revitalization project had been completed. The $10,000 design advance loan was not required by Courtenay to complete detailed working drawings and cost estimates of their proposed revitalization project.

In February, 1981 a $210,400 Capital Improvement Loan to undertake capital works in the 5th Street - Cliffe Avenue - England Avenue specified area was given approval-in-principle. Following Ministerial approval of the capital improvement loan a petition for a Specified Area Bylaw was initiated by the City and received overwhelming support from property owners. The bylaw was then established by the City of Courtenay and sent to the ministry for approval by the inspector of municipalities. Once approval and copies of the capital improvement loan agreement were received by the City the capital works component of the DRP began. Courtenay was issued the first advancement on their loan of $38,483 on June 12, 1981. The second progress payment of the approved loan, in the amount of $104,005 was issued on June 26, 1981. A third payment of $53,069 was forwarded to the City on August 27, 1981, and the final claim for the remaining $14,841 was made by Courtenay on September 9, 1981 and issued by the Ministry on September 29th.

In August, 1981 approval came for $20,000 to be allocated for Courtenay to assist property owners in the facade improvement component of the programme. To date just over $10,000 has been utilized within the designated downtown area. As previously stated most merchants in downtown Courtenay had undertaken facade improvements prior to Ministerial approval of their downtown revitalization project, therefore only a small amount of money was required to complete improvements on the few remaining buildings in the area whose owners wanted to participate.

An initial $7,733 promotion aid grant was forwarded to the City in October, 1981, to cover a portion of the Downtown Merchant's Association's 1981 promotional campaigns. A further $34,000 was granted Courtenay for use by the merchant's association in its marketing and promotional campaigns from 1982 - 1984 that were primarily aimed at the local marketplace.

6.4.2 Programme Delivery Evaluation

Responses - Merchants and Property Owners

Of twelve merchants interviewed 33% participated in the facade improvement grant component of the programme. This relatively low percentage is due to the fact that most property owners had already completed facade improvements prior to implementation of the Downtown Revitalization Programme in Courtenay.

1. Of the 33% who participated 100% felt that the facade improvement grant was easy to apply for.

2. Again, 100% felt that the grant application process was efficient.

3. 67% felt that the 20% (or $200/metre) grant was enough money to aid them in completing facade improvements on their building. As in Chemainus the grant was perceived as an incentive to do the improvements, or do them sooner than they would have otherwise.

4. 50% felt that their visual expectations of the facade improvements had been met and the remaining 50% said their expectations had not been met. Those who did not have their visual expectations met commented that streets are too narrow and so hinder the visual effect. Also it was felt that there is not sufficient continuity with some facades.

5. 75% felt they were given sufficient guidance when entering the facade improvement component of the programme, while the remaining 25% did not remember exactly but said they "probably" were given enough guidance.

6. 75% said that benefits they have received so far exceed the costs incurred in making facade improvements. Attitudinal benefits were seen as the most positive impact from the merchant's perspective. The remaining 25% said there was no way of knowing yet if benefits exceed costs incurred.

7. 100% of respondents agreed that the facade improvement programme was well worth participating in as it helped to spruce-up facades along the whole street and assisted merchants in making positive changes to their buildings that they may not have done otherwise.

Responses - Municipal Contacts

Courtenay's City Administrator who administered the programme locally was interviewed regarding delivery of all components of the DRP, except the facade improvement grant delivery process as the merchants received this directly.

Objectives of the DRP were clear to the municipality when they were entering the programme and they endeavoured to work with these objectives to revive the traditional downtown area as a central focus of the community.

1. Regarding delivery of the start-up grant the City of Courtenay had no problems with the application procedure but felt the $5,000 grant was too small ("almost negligible") for its

designed purpose. Criteria regarding the grant were clear and they received sufficient follow-up from the ministry.

2. Courtenay did not receive the design advance loan so could not comment on delivery of it. It was stated that if a new revitalization project was entered into they would hire a consultant to complete a design study for them.

3. No problems were encountered with delivery of the capital improvement loan. The city said the criteria were clear to them regarding this loan and they got very good cooperation from the DRP administrator as he was always in close contact both by telephone and in person.

4. Courtenay also had no problems with delivery of the promotion aid grant. They felt it was very easy to apply for. The administrator commented that they would have appreciated extension of the promotion aid grant programme.

Additionally, we asked for suggestions on ways to improve the DRP delivery system in general. We were informed that it was a well delivered programme and few improvements were necessary since "things went as fast as Courtenay itself could go."

6.5 Conclusion

Courtenay has completed a successful downtown revitalization project and in addition have undertaken numerous other improvements to the heart of the community to make it more appealing as a shopping and cultural centre. Several impacts of the programme have been experienced in downtown Courtenay.

In terms of economic impact the DRP has stimulated the downtown economy in numerous ways. 18% of merchants have been able to hire new employees as a result of improved retail sales. Others were not able to hire additional employees but were able to retain people they would have had to layoff otherwise.

Commercial property values within the downtown specified area have increased almost three times as much as commercial property values

throughout the rest of the city between 1983-1985. There has also been a reduction in commercial property vacancies downtown.

The number of people shopping downtown now as compared to before the revitalization project has increased, according to 50% of merchants interviewed. Downtown merchants have regained some of the market share lost to shopping malls in the 1970's. Sales are up due to an improved shopping atmosphere and more vigorous marketing campaigns. A few merchants said that their sales had decreased because of the reduction of parking in front of their stores caused by the construction of amenity areas and planters.

As a result of the DRP 67% of merchants interviewed have made additional improvements to their business, other than facade changes. Additional improvements include new window displays, interior renovations and diversification of goods and services. The DRP has definitely stimulated investment in downtown business.

Numerous physical improvements to downtown Courtenay have occurred as a result of the DRP. The work completed improves the total look of downtown and ties in well with other community projects and the City's overall objectives for improving the looks and viability of the core. There are a few concerns about parking and how the design and placement of planters and amenity areas have created accessibility problems. These are problems unique to Courtenay that could have been avoided if a professional had been hired to help municipal staff with design elements. The project is well integrated into the existing community. Street landscaping has enhanced and softened the look of downtown. Facades completed are very well done; they are of varied themes, with extensive use of cedar, and create a visually effective streetscape. Except for a few design problems people in Courtenay are very pleased with how their revitalization project has enhanced the downtown character.

Confidence in the future of downtown is high and attitudes towards it are very positive. The downtown merchants association has always had a large membership and strong participation rate. Concern about the future viability of downtown prompted many merchants to undertake

facade improvements even before the DRP began. Courtenay was the first municipality in B.C. to sign a loan agreement which is due in large part to the high degree of cooperation that exists between merchants and local government; and a great deal of enthusiasm for revitalization. The quality of inter-merchant relationships has improved. 83% of merchants are confident about the future of downtown but feel the problem with planters has to be addressed by the city. Merchants on the periphery of the specified area have also expressed a desire to be included in future downtown revitalization projects as they are impressed with what was achieved on 5th Street.

According to merchants and municipal government representatives all components of the DRP were easy to apply for. The start-up grant was deemed to be too small for its designed purpose. The design advance was not utilized in Courtenay. A consultant was not hired to aid in the completion of concept plans and design elements but the city would hire someone for future projects as they realize mistakes were made without professional assistance. A majority of the merchants said that the facade improvement grant was sufficient. A desire for more continuity of facades and an overall theme was expressed. 75% of merchants said benefits have exceeded costs and everyone said the DRP was well worth participating in. Merchants would like to see the promotion aid grants extended past the two-year period currently allowed so that they could undertake more subsidized promotional campaigns.

Overall, the DRP in Courtenay has been a successful endeavour that must be continued and expanded into other downtown areas. The close working relationship between merchants and local government has been a major factor in the success of Courtenay's downtown revitalization project and sets the stage for continued efforts.

6.6 Recommendations

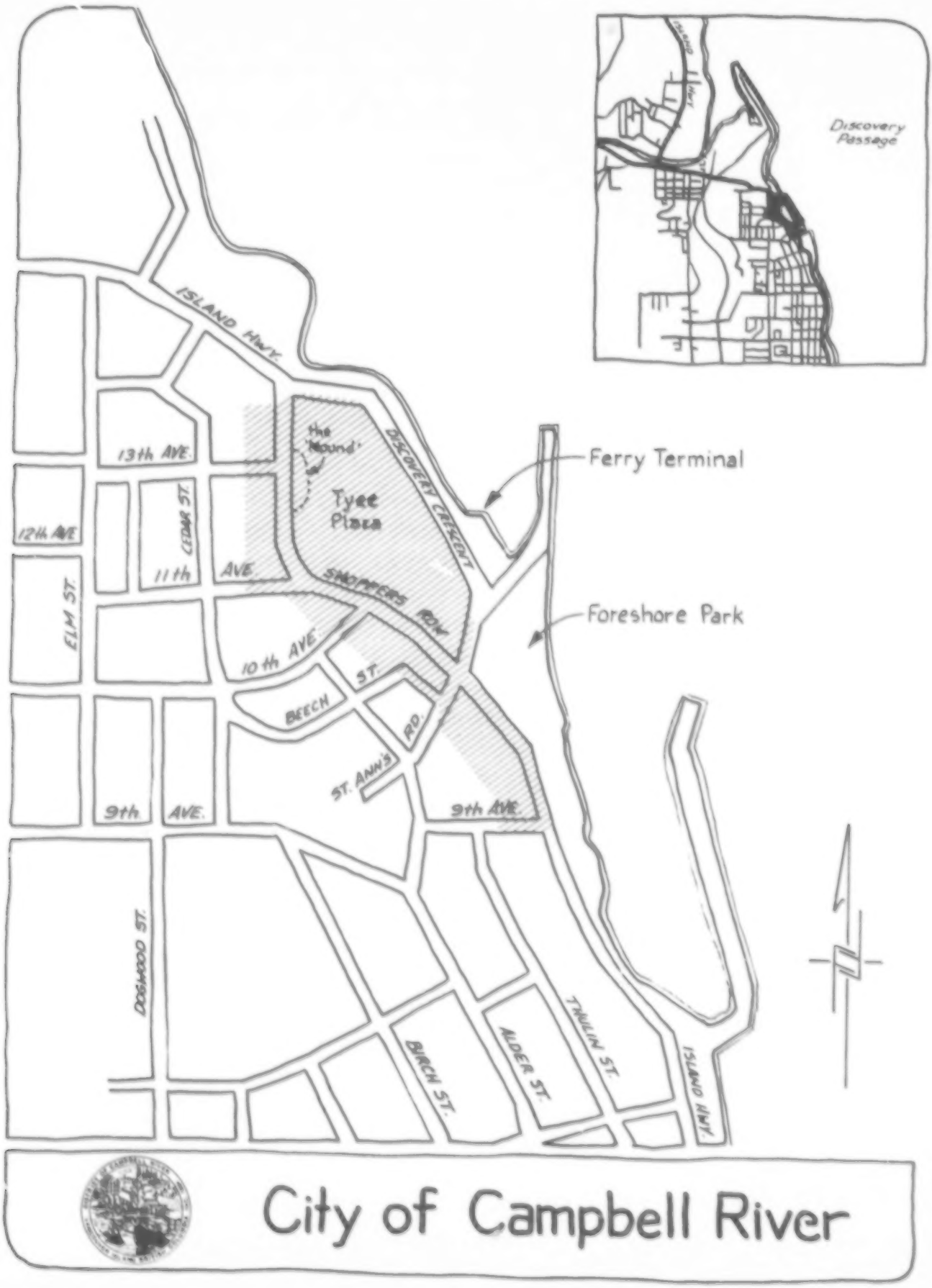
1. It is recommended that Courtenay continue revitalization improvements within the designated downtown area and expand efforts further up 5th Street and on to other streets bounding the specified area, such as 4th and 6th Streets. Also, other

areas within Courtenay, that would be eligible, should be seriously considered for a revitalization project.

2. The municipality has to address concerns merchants and shoppers have about the poorly designed planters and amenity areas. The existence of this style of planter needs to be reviewed but it must be recognized that they are a well used feature of Courtenay's revitalization project so if removed they must be replaced or a major objective of the DRP would be defeated.

3. When expansion of the revitalization project is undertaken it is strongly recommended that a consultant be hired to assist with concept plans and design elements as the lack of professional design advice in the past has resulted in a costly problem regarding the planters and amenity areas.

4. Aggressive promotional campaigns by the downtown merchant's association must be continued, and fund raising undertaken to raise sufficient funds for further high quality promotions used to draw people downtown.


Discovery Passage
ISLAND HWY.
13th AVE.
12th AVE
ELM ST
CEDAR ST.
11th AVE.
10th AVE.
9th AVE.
'the Mound'
Tyee Plaza
DISCOVERY CRESCENT
SHOPPERS ROW
ST.
BEECH
RD.
ST. ANN'S
9th AVE.
Ferry Terminal
Foreshore Park
DOGWOOD ST.
BIRCH ST.
ALDER ST.
THULIN ST.
ISLAND HWY.
City of Campbell River

7.0 CAMPBELL RIVER

7.1 Description of the Study Area

Campbell River is the fourth largest community on Vancouver Island with a population of 16,000 in the city itself and over 25,000 in the District. It is located half-way up the east coast of the Island, approximately 270 kms (170 miles) north of Victoria. Its economy is supported largely by the Crown Zellerbach Mill that employs approximately 2,000 people, most of whom are local residents. Additionally, mining interests in the area contribute to the City's economy as do both the fishing and tourism industries. Campbell River also serves as a shopping and service centre for the north Island.

The downtown area is quite large but most shops are concentrated in the Shoppers Row and Tyee Plaza area. Tyee Plaza, a one-sided, unenclosed shopping centre is centrally located but is set back and separated from the main shopping street, Shoppers Row, by an expanse of parking lot. There is one other shopping centre located in Campbell River, the Ironwood Mall, an enclosed mall which is on the periphery of downtown and competes with core area merchants for the local market. Also, residents often travel the 120 miles to shop in Nanaimo, particularly for a better selection and often lower prices. Overall there is quite a lot of outside competition for merchants in the downtown commercial core to contend with.

Prior to 1981, when Campbell River embarked upon their revitalization programme, business was declining downtown. The physical condition of the core had deteriorated and was in need of upgrading, particularly sidewalks, landscaping, road surfaces and building facades. The economic recession which blanketed all of B.C. did not overlook Campbell River and had a negative impact on the viability of the downtown area as did the decline in the commercial fishing and resource industries. It was necessary that someone take the initiative at this time to stimulate interest in the revival of Campbell River's commercial area.

In response to this a local businessman concerned with downtown issues attended the Ontario Renews Conference in Toronto in early 1981. This stimulated his interest in revitalization issues so he approached other merchants and the City to work with him on plans to revitalize Campbell River's downtown core. As a result of interest expressed in the Provincial Downtown Revitalization Programme by a few merchants a Campbell River Downtown Revitalization Committee was formed to further explore the concept of reviving downtown. The committee worked on revitalization plans for the core area and requested in January, 1981 that the Council of the District of Campbell River apply for downtown area designation under the provincial programme and also apply for the $5,000 start-up grant to assist in preparation of preliminary studies on revitalization works. The City was very supportive of downtown concerns and quickly worked to initiate the revitalization process in Campbell River by applying in February for downtown area designation and the start-up grant. After receiving Ministerial approval the District was at the stage where they could commission a consultant to complete a downtown revitalization plan for them. They could now realize their dreams of a revitalized downtown core.

7.2 Programme Overview

7.2.1 Work Completed

For their Phase I revitalization project downtown Campbell River, as designated by the Minister of Municipal Affairs, is composed of one specified area the "Downtown Revitalization Specified Area No. 1" covering the area centred on Shoppers Row from 9th Avenue to Highway 19. The city has begun a Phase II project but in this study we will concentrate on Phase I as Phase II has not yet been completed.

The Phase I capital works project was completed in 1984. Capital works undertaken in Campbell River did not deviate from proposed plans submitted to the Ministry. Consultants were hired in the early stages of the programme to complete a concept plan and estimate of costs for the DRP. After this initial stage actual physical works completed were done by municipal staff and contractors.

In addition to the completion of capital works many downtown property owners, within the designated area, participated in the facade improvement grant component of the programme. To date, approximately $20,000 has been utilized by merchants to make facade improvements to their buildings.

Campbell River, through the Downtown Merchants Association has utilized approximately $40,000 in promotion aid grants. The grants received have been used to promote such events as the annual Salmon Festival and seasonal sales like back-to-school, Christmas and Halloween, as well as the ever popular Midnight Madness event. The merchants have worked hard to promote downtown Campbell River, capitalizing on its new look and proximity to the picturesque waterfront.

As well as completing its downtown revitalization project Campbell River has undertaken other projects in the community which support the role of downtown as a people place. For example, a waterfront park complete with walking trail has been created, the museum has been upgraded and development of land on the west side of the Island Highway at St. Anns Road is currently underway. Together with the City, business people and residents are working to enhance the overall look of their community and actively promote its numerous attractions. In the words of a local businessman and revitalization committee chairman: "We are fortunate in living in a beautiful scenic part of B.C., and our aim is to take advantage of the outdoors and orient downtown shoppers more towards walking and taking advantage of the area rather than congesting it with cars."

To sum it up, the community stresses the fact that their revitalization project emphasizes complete revitalization not only beautification and that it is an ongoing project that will benefit Campbell River for years to come. To this end the City is currently completing a Phase II project on 10th Avenue that will complement the Phase I revitalization improvements.

7.2.2 Financial Aspects

Campbell River, for its Phase I downtown revitalization project took out a $575,700 capital improvement loan, under the DRP, with a repayment schedule that allowed for a two year interest free period and then repayment amortized over ten years at a M.F.A. rate of 12%. The City initially took advantage of the $10,000 design advance loan, but in order to meet municipal bylaw requirements returned it in March, 1986.

75% of the total cost of capital works completed in Campbell River was covered by a low interest loan under the DRP. The remaining 25% came out of the District of Campbell River's general reserve fund. The District was not initially prepared for what their revitalization project finally cost them as the consultant's estimate was approximately $190,000 lower than actual costs incurred by the District. They were able to cover the extra expenses at their end and also applied for an increase of $142,425 in their capital improvement loan.

The cost of providing the works and services in the specified area is being borne by owners of the land in the specified area, for such a period of time as is necessary, by the imposition of an increased frontage tax. The use of a frontage tax was chosen by the District as it was deemed to be the fairest form of taxation.

7.3 Impacts

7.3.1 Economic Impact

Campbell River's downtown core was in decline during the early 1980's. The economic causes of this decline were similar to those of many other B.C. communities who participated in the Downtown Revitalization Programme.

1. Recession in the national and world markets for resource goods led to layoffs at the local pulpmill and area mining operations.

2. Competition from shopping malls in Campbell River and Nanaimo took market share away from downtown businesses.

3. Recreational fishing, the mainstay of local tourism, declined as catch limits were tightened and other Island communities offered more competition.

Overall, the effect of the above was to decrease local consumer spending in downtown and allow physical decline and vacant businesses to make Campbell River less competitive with shopping malls and other downtown areas. Increased investment in services, renovations and marketing became a necessity for downtown Campbell River.

The economic impacts of investment in the downtown area through the DRP are as follows (the recent completion in 1984 of the major capital improvement works must be taken into consideration).

1. *Employment.* Only 8% of merchants interviewed had increased their staffing as a result of the revitalization project. Since 42% of those interviewed said their sales had increased since the revitalization project this would indicate that they were able to handle added business without needing to hire additional staff.

2. *Property Assessments.* Phase I capital improvement works in Campbell River were completed in 1984. Phase II Capital Improvement Works are presently under way. This does not allow enough time to determine if the trend in actual values of business property in the specified area has changed. For the years 1982 - 1985 there was a declining trend in actual values for business property in the downtown specified area but hopefully, if a follow-up evaluation is completed in two to three years time, an increase will be evident.

3. *Market Share.* One objective of the revitalization project in Campbell River is to make the downtown area more competitive with shopping malls in Campbell River and Nanaimo.

   47% of merchants interviewed said more people were shopping in the Campbell River downtown area since the revitalization project. Of the remainder, 26% said that numbers had not increased while 26% were unsure. Of those who felt numbers had

not increased several said that the revitalization programme had prevented further loss of business to the shopping malls.

4. *Vacancies and Rentals.* According to real estate professionals the Campbell River revitalization project has not yet had an impact on vacancy or rental rates for downtown business property. However, the perception is that over the long-term the programme will stimulate the demand for downtown business property.

5. *Retail Sales.* Based on the responses of merchants it appears that the Campbell River revitalization project has had a positive impact on retail sales. 42% of merchants interviewed said their sales had improved since the revitalization project. Other merchants responded that consumer spending was still low in Campbell River due to lingering fears about layoffs at the local pulpmill and area mining operations.

6. *Spin-off Investment.* Prior to the implementation of the Phase I capital improvement works in 1983, Campbell River was declining as a tourist destination. However, since 1984 tourism has expanded significantly with the revitalization project acting as the catalyst for the creation of the Campbell River Tourist Promotion Society with an annual budget of $100,000. The enhanced downtown environment is now a major selling point for Campbell River tourism.

   The revitalization project also appears to have stimulated investment in local business improvements. 17% of merchants interviewed said they had made independently funded improvements to their business as a result of the downtown revitalization project.

The collection of data for Campbell River was made difficult because of the 1984 completion date of Phase I. Many economic impacts are not likely to be evident at the present time. Although it is impossible to state that Campbell River has experienced economic benefits in all areas it is the perception of merchants that involvement in the DRP was necessary to stimulate long-term economic growth in the downtown

area. As a result, 94% of merchants interviewed were pleased with what has been accomplished under the programme.

7.3.2 Physical/Aesthetic Impacts

1. There have been no land use changes in Campbell River as a direct result of the DRP, according to the municipality. There have been changes in land use since the revitalization project that were influenced by the improved look of downtown and the more positive attitudes of merchants and politicians. Examples of changes include the development of property at the corner of St. Ann's Road and the Island Highway. In this development the abandoned building on the corner has been recently purchased and will be renovated to accommodate offices; the vacant land next door will soon house dentist's offices and close to this an art gallery has been built. Also, the tourist information centre has been relocated to a highly visible corner of Foreshore Park on the waterfront.

This picture illustrates the above mentioned corner of St. Ann's Road at the Island Highway that is currently an eyesore, but is to be developed.

2. Parking and traffic circulation improvements that can be attributed to the DRP.

- a change in traffic volumes on Shopper's Row has occurred as now most through traffic is using Discovery Crescent. Traffic pressure has been reduced as the roadway entry points have been narrowed, sidewalks widened and more trees have been provided to give it the appearance of a pedestrian precinct which discourages through traffic wishing to use it as a short-cut.

- low level light bollards installed along Shopper's Row have improved the definition of pedestrian areas but confuse some drivers as they are set at eye level and are often mistaken for car headlights

- parking on Shopper's Row has been changed from parallel to angle on the west side of the street to increase the number of parking spaces and has remained parallel on the east side

- new paving has been completed

This illustrates a narrower Shoppers Row, new angle parking, widened and decorative sidewalks, low-level light bollards that define pedestrian areas and the extensive use of greenery to soften the urban landscape.

3. Municipal service and utility improvements encompassed under the DRP include:

   - relocation of utilities
   - replacement and augmentation of street lighting system
   - new curbs and gutters constructed for improved run-off

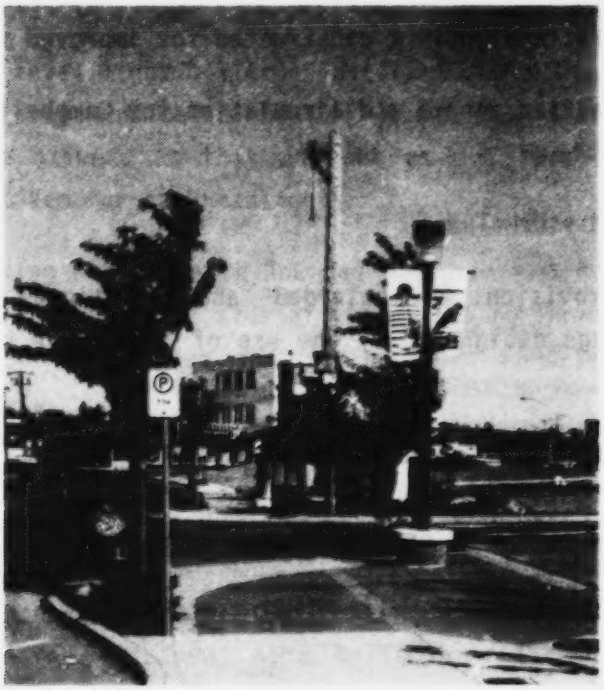
4. Better pedestrian access and circulation for Campbell River as a result of DRP.

   - widened sidewalks
   - the provision of enlarged and additional pedestrian crossings designated by the use of decorative brick paving stones
   - traffic bollards have been installed that are used to define pedestrian areas from the roadway and to guide pedestrians on to designated crosswalks
   - use of crosswalks and central bus terminal has integrated downtown into a unified area connecting Tyee Plaza and Shopper's Row

5. Physical integration of the project into the existing community has been accomplished.

   - the scale of the revitalization project has been integrated successfully into the existing development
   - the warmth of low level street lights, widened and decorative sidewalks, amenity areas and the planting of trees, shrubs and grass has added a human element. Downtown is now seen as a place for people to gather and socialize, as well as shop.

- the general character of downtown and revitalization improvements is modern with new facades, signage and lighting setting the style



This illustrates that the extensive use of crosswalks, a central bus terminal, distinctive lamp standards and low-level light bollards, plus a landmark depicting the communities forestry heritage - "Big Mike," the logger has helped to unify the downtown core.

6. Beautification/aesthetic elements

- decorative inter-locking brick paving stones have been used for sidewalks and pedestrian crossings

- sidewalks have been widened so pedestrians don't feel constricted

- construction of amenity areas, the planting of trees, planters and other street landscaping and installation of decorative lighting and bollards has softened the look of downtown

- facade improvements are quite extensive. No common theme was utilized but use of varied facade designs is visually effective.

This picture illustrates an effective facade improvement that creates a clean, crisp yet inviting image and is easy to maintain.

- use of exposed aggregate on waste receptacles is more appealing than aluminium or other metals

- construction of a grassy mound on a corner of Tyee Plaza softens the overall visual impact of downtown and gives shoppers a patch of green grass to sit and relax on

- erection of a carved wood logger "Big Mike", at the entrance to Tyee Plaza at 10th Avenue is a focal point and landmark, and it symbolizes the area's historical links to the forest industry

7. Improved safety and convenience

- better lighting for both pedestrians and traffic along Shopper's Row.

- there is better orientation - more directional signs and markings have been installed.

Discussion of Physical/Aesthetic Impacts

The downtown core is the focal point of Campbell River and what has been achieved under the Provincial DRP works to strengthen its status as the centre of activity. The City has achieved its goal of creating a human scale and pedestrian oriented downtown with the focus on Shopper's Row, Tyee Plaza, the central transit exchange and now the Phase II 10th Avenue revitalization project. It is a modern looking downtown and with extensive use of natural wood, brick, colourful awnings and canopies Campbell River impresses one with its clean lines and contemporary appearance.

94% of people interviewed in Campbell River are pleased with overall DRP improvements. The remainder are not pleased because the complete project did not extend far enough south along the Island Highway and therefore looks unfinished. Even though a vast majority are happy with their downtown revitalization project there are some aspects which could be improved. People feel the general appearance is better but quite a few are disappointed that more facade improvements were not completed on Shopper's Row. Also there is displeasure with the 'mound' as it isolates that end of Shopper's Row from the Tyee Plaza. Others feel that trees obscure signs but with proper trimming this is easily eradicated. The most positive comments received were regarding the sidewalks and landscaping which interviewees feel are the best aspect of the project in addition to the improvement in general attractiveness. Requests were made to increase parking, install additional benches, put a more solid base under crosswalks as they are sinking and paint white lines on either side of crosswalks to further distinguish them as pedestrian crossings.

Regarding facade improvements 40% of those interviewed felt these changes met or exceeded their expectations whereas 60% said facade improvements did not meet their expectations. Reasons given for dissatisfaction with facades focused on the fact that not enough

building owners participated in this component of the programme. In addition, a need was expressed for a wide canopy extending all along Shopper's Row to shield shoppers from the elements, particularly the "south easterlies".

Overall, the DRP in Campbell River is seen by merchants and the municipality as a seed that now needs to be sown in other areas. The City is already acting upon this by undertaking a Phase II project on 10th Avenue and working on other community developments, the most ambitious of which is an extensive harbour development in the downtown vicinity.

7.3.3 Attitudinal Impact

Campbell River's downtown revitalization project has had a positive impact on the attitudes of merchants in the downtown area. Merchants have become more unified and have gained confidence in the future of downtown. This has been manifested in the following ways:

1. Participation in local business organizations has been augmented by the Downtown Revitalization Programme. There are presently two business organizations representing merchants in the designated downtown area, the Tyee Plaza Merchant's Association and the Campbell River Downtown Merchant's Association. 83% of merchants we interviewed were members of one or more associations.

   The Tyee Plaza Merchants Association is based on the obligatory membership of merchants located in the Tyee Plaza. It has existed since the early 1960's when the Tyee Plaza was built and has maintained a high level of coordinated promotional effort during recent years.

   The Campbell River Downtown Merchants Association was organized recently, directly as a result of participation in the DRP. Previous attempts at organizing a downtown merchants association failed in the 1970's. The new association is active in

promotions and has a large membership amongst downtown merchants.

Recently both associations decided to join together to increase their promotional efforts. The Downtown Revitalization Programme can be credited with this turnaround in business association membership and effort as it helped to motivate all downtown merchants to work on joint promotional campaigns.

2. The quality of the inter-merchant relationship in Campbell River has been enhanced significantly by the revitalization programme. 94% of merchants interviewed said that the relationship between merchants is good. 80% say the relationship has been improved since the implementation of the Downtown Revitalization Programme. Much of the improvement is owed to the formation, as part of the revitalization project, of a Downtown Merchant's Association where one did not previously exist.

3. Merchants are positive about their newly revitalized downtown area. 94% of merchants interviewed said they are confident about the future of downtown Campbell River. Several also mentioned that revitalization was a major factor in their decision to open a business there.

   The high level of participation in grant programs indicates a strong willingness to invest in local business. Merchants said that the assistance available from grant programs was a major incentive for them to undertake the subsidized activity.

Overall it appears that the Campbell River downtown revitalization project has had a tremendous impact on the attitudes of downtown merchants. They are now a more cohesive group and are more willing to invest in their own businesses than they were prior to the revitalization programme.

7.4 Programme Delivery

7.4.1 Overview of Delivery System

Campbell River had its downtown designated by the Minister of Municipal Affairs in February, 1981. The $5,000 start-up grant was also forwarded to the District in February. This grant along with money raised by the downtown merchants went towards hiring a consultant to complete a study and concept plans for the proposed revitalization project. The $10,000 design advance loan was received by the District in May of 1982 and was used to create working plans.

In September, 1982 approval-in-priniciple was given to Campbell River for a $433,275 capital improvement loan. This was increased to $575,700 in August, 1983, as the consultants had underestimated costs of revitalization works. As the next step Campbell River, in November of 1982, passed and adopted their Specified Area No. 1 Establishment and Loan Authorization Bylaw.

Only after approval of amendments to their capital improvement loan had been received in 1983 did they begin the capital works component of the Downtown Revitalization Programme. Campbell River was issued the first payment of $289,200 on December 22, 1983. The second payment of $160,800 was sent to the District on March 1, 1984 and the final payment of $125,700 on the capital improvement loan was forwarded to Campbell River on April 9, 1984, upon completion of the project.

In April, 1982, the District submitted, as application for the promotion aid grant, a resolution of the District of Campbell River, endorsing the application by the Downtown Revitalization Committee for money to assist the Downtown Merchants Association in its 1982 promotions. In May approval came for $17,750 to be allocated to the downtown merchants, through the District, to assist in their 1982/83 promotions. Of this $17,400 was utilized that year. In subsequent years, up to 1985/86, a further $41,000 was utilized for downtown promotions.

In January, 1983, $20,000 was approved for facade improvements undertaken in 1983. As in most other communities the building inspector was given authority by the District to administer this component of the programme. To control the process the District Council's Planning and Environmental Protection Committee in conjunction with representatives of the Downtown Revitalization Committee executive were given the responsibility of overseeing the building inspector's administration of the programme. To date approximately $20,000 has been used by over 20 property owners to complete facade improvements on their buildings.

7.4.2. Programme Delivery Evaluation

Responses - Merchants and Property Owners

Of seventeen merchants interviewed 40% directly participated in the facade improvement grant component of the programme.

1. Of the 40% who participated 100% said the facade improvement grant was easy to apply for.

2. Again, 100% of participants in the facade improvement component felt that the grant application process was efficient.

3. 100% felt that the 20% or ($200/metre) grant was enough money to aid them in completing facade improvements. It was seen as 'seed' money.

4. 40% said their visual expectations of facade improvements had been met and the remaining 60% said their expectations had not been met. The majority said that they had expected more. Facade improvements done were satisfactory but not enough building owners participated.

5. 100% said they were given sufficient guidance upon entering the facade improvement component of the programme. It was suggested that Ministry staff be available to give advice on design elements.

6. 83% said that benefits they have received so far exceed the costs incurred in making facade improvements. 17% said that benefits have not yet exceeded costs but thought they would in the future.

7. 100% of participants in the facade improvement component of the programme said it was well worth participating in and hope it will be continued.

Responses - Municipal Contacts

Campbell River's municipal clerk and treasurer, who were involved in the local administration of the DRP, were interviewed. Questions focused on Ministry delivery of the various components of the programme and its impact on their community. For our purposes here we will concentrate on their responses regarding delivery of the programme.

Objectives of the DRP were clear to the municipality when they were entering the programme and their objectives were closely aligned with the Ministry's. Their objective was to "revitalize an ageing downtown core".

1. The District of Campbell River had no problems with delivery of the start-up grant but, as in other communities, felt it was not enough as they actually paid $30,000 for a consultants report. Criteria regarding use of the grant were clear and they had excellent cooperation from the ministry's DRP administrator.

2. No problems were encountered with delivery of the design advance loan.

3. Again no problems were encountered with delivery of the Capital Improvement Loan. The criteria were clear and they had no complications. Follow-up was available at anytime and the DRP administrator was only a phone call away.

4. They had no problems with delivery of the promotion aid grant. They received quick response to their application on behalf of the Revitalization Committee.

Additionally we asked for suggestions on ways to improve the DRP delivery system in general. They could not think of any ways to improve the programme, except to extend it and increase the start-up grant.

7.5 Conclusion

Campbell River completed its Phase I revitalization project in 1984 and found it was so worthwhile they began a Phase II project soon after. The city has been able to reduce the outward flow of consumers to regional shopping centres and are now attracting more tourists to the area by capitalizing on the scenic location of the community and downtown's new look.

Even though their downtown revitalization project was only completed in 1984, some economic impacts are already evident. 8% of merchants have been able to hire additional staff as a result of the DRP. Others said that employment levels had stabilized in the downtown core and were not declining as they had been prior to revitalization.

Commercial property values in the downtown specified area showed a declining trend between 1982-1985. But as the project was only just completed in 1984, assessments for 1986 and future years may show an increase in stabilizing influence due to downtown revitalization efforts. Also in this short time period no change has been recorded in vacancy or rental rates for downtown property. Confidence is high that demand will be stimulated for commercial property in the near future.

One of Campbell River's major objectives was to make downtown more competitive with regional shopping malls. They have been successful in this goal as 47% of merchants said more people were shopping downtown and 26% said the DRP has prevented further loss of consumers to shopping malls. Regarding retail sales 42% said sales had improved. Others commented that spending was still conservative due to the constant threat of layoffs in the resources sector where a great number of residents work.

Since 1984, tourism has increased substantially in Campbell River due to the aggressive promotions undertaken by the recently formed Tourist Promotion Society. The formation of the Society is a direct result of the DRP, according to its director. Also 17% of merchants have made independently funded improvements to their business which shows they have confidence in its future.

It is the perception of merchants interviewed that involvement in the DRP was necessary to stimulate long-term economic growth in the downtown core.

Numerous effective physical changes have occurred as a result of the DRP. Recent and current land use changes have been influenced by the revitalization of downtown and positive attitudes of merchants and the municipality to do something about vacant buildings and land in the core. Shoppers Row now has the appearance of a pedestrian precinct which discourages through traffic using it as a short cut around Discovery Crescent. The area has been unified and street landscaping improves and softens the overall look. Pedestrian safety and convenience has been improved by the addition of widened sidewalks and crosswalks. Downtown is now seen by merchants and consumers as a place to gather and socialize as well as shop whereas previously people would come only to shop and work.

Attitudinal impact is widespread in Campbell River. The re-organization of the downtown merchants association is a direct result of the DRP. They are now very active in promotions and have a large membership. Also, merchants have realized the importance of joint marketing which the DRP stresses. To this end, the Tyee Plaza Merchants Association has joined with the D.M.A to work jointly on downtown promotions. 80% of merchants are confident about the future of downtown and a few said that revitalization was the reason that prompted them to open a business downtown. Overall, there is a great deal of support and enthusiasm for the DRP in Campbell River and an overwhelming majority of merchants (90%) are interested in the concept of Business Improvement Area legislation for their community.

All components of the DRP were easy to apply for. The start-up grant was deemed to be insufficient when hiring consultants to aid in concept planning. The facade improvement grant is seen as "seed" money and sufficient for its designed purpose as an incentive. A number of merchants said that they needed more advice on facade design elements and felt that a design guide and workshop would be a helpful addition. Overall 83% said benefits have exceeded costs incurred in making improvements and the remaining 17% were confident that they would in the future. Everyone was happy that they had participated in the programme and hoped to see it continue in Campbell River and throughout the province as it is very effective.

The DRP is a tremendous success here and with continued promotions and facade improvements, as well as extension of the programme into other areas, it will have a far reaching impact on the community. Other revitalization improvements such as a world class marina and waterfront area development must be actively pursued to further establish Campbell River as a major tourist destination.

7.6 Recommendations

1. It is recommended that the revitalization of downtown be extended farther south. As it exists now the project looks incomplete. It is important to enhance the sole entry route south of the community as first impressions are lasting impressions. It is particularly crucial to revitalize the area surrounding where the pier/marina development is proposed.

2. It is very important that the municipality, merchants and residents continue to actively and aggressively pursue the pier/marina development proposal. It would give Campbell River a cruise ship port, world class recreational fishing facilities plus other facilities and attractions that would work towards developing tourism in more areas than at present.

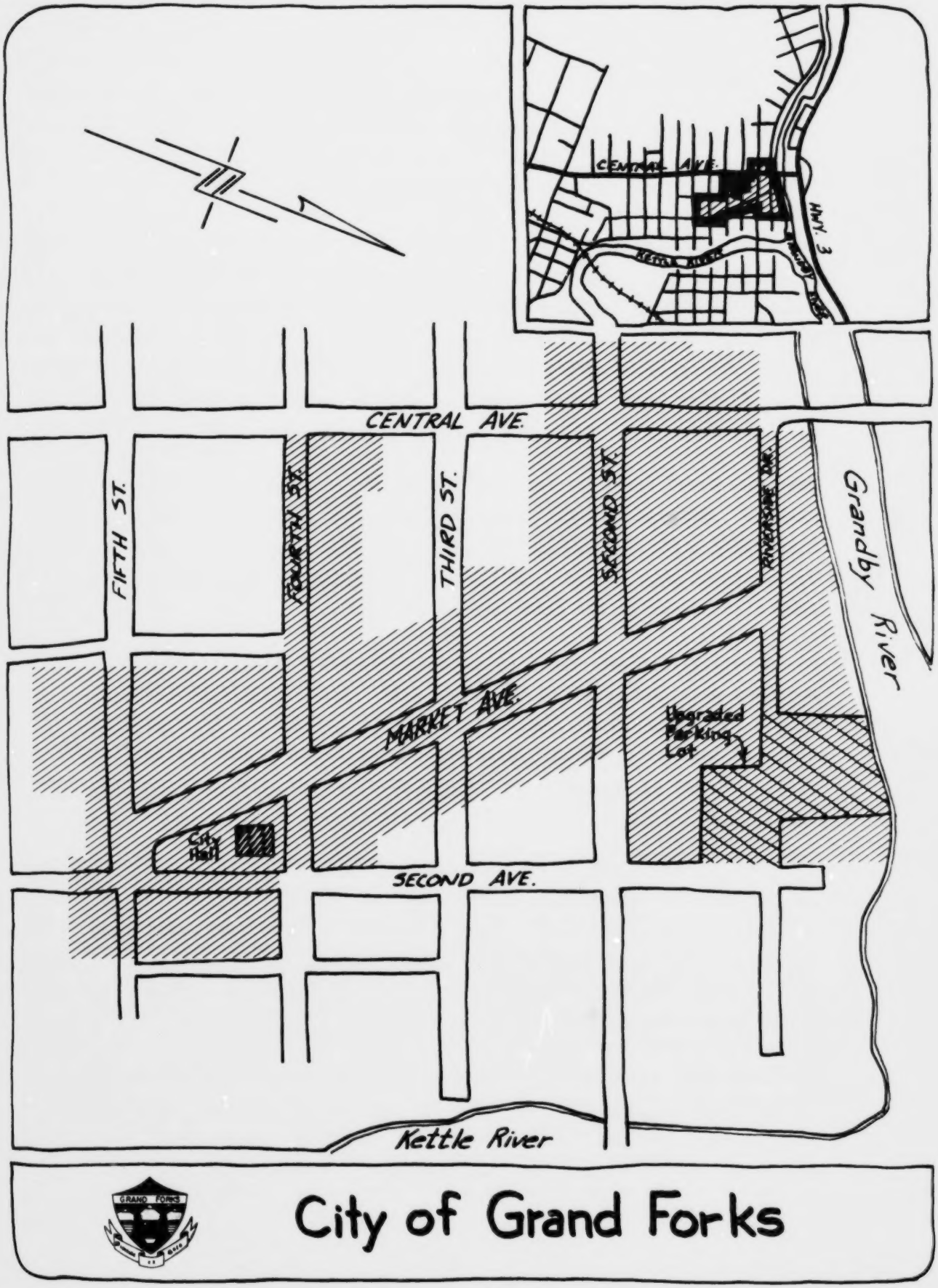
3. Further merchant participation in facade improvements must be encouraged by the merchants association and municipality. Facade improvement is a highly visible aspect of revitalization that has proven its worth.

4. It is recommended that more benches be installed downtown for shopper's convenience. It is also recommended that a uniformly wide canopy be seriously considered for the west side of Shoppers Row to protect pedestrians from the elements while they are patronizing shops along the street. This would encourage them to come out even if the weather is poor.

5. The crosswalks are reportedly sinking. Therefore a more solid base needs to be installed. Also, crosswalks are difficult for drivers to differentiate from the road surface so it is recommended that highly visible white lines be painted on either side to distinguish them as pedestrian crossings. The lines are not unsightly and this addition would improve pedestrian safety.

6. Aggressive joint marketing of downtown must be continued and escalated by the newly merged merchants association in order to hold on to the recaptured share of the retail market that could again be lost if merchants become apathetic.

7. The municipality must work on developing the waterfront side of Tyee Plaza. This needs to be actively promoted as a natural progression in the revitalization process and a necessary addition for downtown Campbell River.



City of Grand Forks

8.0 GRAND FORKS

8.1 Description of the Study Area

Grand Forks is a town of approximately 4,000 people that serves a large regional area of over 10,000. It is located four miles from the United States border in south-central B.C. - the area known as Kootenay Boundary country. Other than the retail and services sector, the local Pope and Talbott sawmill is the major employer with approximately 500 Grand Forks residents on its payroll. Also, a number of residents work at a sawmill in Midway, approximately thirty miles further west, and a local particle board plant. There are a few government offices located in Grand Forks as well.

Downtown Grand Forks is fortunate in having a largely captive local market. Minimum travel time to competing shopping centres of comparable size is one hour. Although many local and regional residents do shop in Trail, Nelson, the Okanagan and Washington State they also patronize the local area.

Historically downtown Grand Forks was the centre of the community's built-up area, but this is no longer true. Considerable residential growth has occurred at the western end of the City. An expanding strip of highway commercial development has followed the residential growth, creating a sprawling retail district to the west of the traditional core area.

In spite of the strong local market Grand Forks, prior to involvement in the DRP, had a downtown in dire need of physical revitalization. Sidewalks were in extremely poor condition as were curbs and road surfaces. The area needed some amenity areas and landscaping to soften the harshness of concrete and asphalt and create an aesthetically appealing shopping district.

A number of items were identified by the Chamber of Commerce revitalization committee as needing improvement. Most important among these include: (1) making the downtown environment more appealing and convenient for local consumers, visitors and staff; (2)

providing canopies for protection from the elements; (3) increasing consumer traffic; and, (4) improving and attracting businesses. Ultimately they wanted to create one cohesive business district to ensure that the business service area is not replaced by a shopping centre as has happened in so many other communities.

As a first step towards their goal of revitalizating downtown Grand Forks applied for Ministerial designation as a downtown area under the DRP and received it, on April 27, 1981. On May 4th Grand Forks applied for the start-up grant and received it on June 10, 1981. This was used to establish their priorities and arrive at a conceptual plan for revitalization works.

8.2 Programme Overview

8.2.1 Work Completed in Grand Forks

Downtown Grand Forks, as designated by the Minister of Municipal Affairs, is composed of one specified area within the designated downtown.

The capital works project was completed in 1985. Actual work completed in Grand Forks did not deviate from proposed plans submitted to the Ministry, according to the Schedule "B" form attached to the submitted loan agreement required of those municipalities entering the programme. In the initial stages Grand Forks hired two different consultants to complete downtown revitalization plans. The first consultant completed a plan which the City and the Chamber of Commerce Downtown Revitalization Committee felt was overly ambitious. A second consultant was then hired to downscale the revitalization plan and input their own ideas. It was this second plan that was finally accepted. Other than hiring consultants to complete the initial revitalization plans all capital works undertaken in Grand Forks were done by municipal staff and contractors.

In addition to the completion of capital works a number of property owners in the designated downtown area have taken advantage of facade improvement grants to upgrade their building exteriors. To date,

over $30,000 has been utilized by merchants to make facade improvements.

Grand Forks, through the Chamber of Commerce, the sole representative of downtown businesses, has utilized almost $3,000 in promotional aid grants so far.

The revitalization of downtown Grand Forks has acted as a catalyst for the continuation of similar projects and the inception of new ones such as the aquatic centre. The revitalization project has had quite an impact on the City. It has been a real boost for the community and residents are very proud of their core area. According to the manager of the Chamber of Commerce - "tourists comment that it is the cleanest, most beautiful city they have ever seen and we are proud to show it off". The programme has provided the municipality, merchants and residents with the impetus to continue improving their downtown as well as the rest of the community. Merchants in particular are working harder now at attracting business to the core by upgrading their premises, selection of goods and promotional techniques.

Overall, the programme has been a great success in Grand Forks. They have hosted delegations from other communities both in Canada and the United States, who are interested in downtown revitalization and have shown them the host of benefits available under a well managed revitalization programme. Most townspeople are very confident about the future of Grand Forks and feel that the potential for continued improvements is boundless.

8.2.2 Financial Aspects

Grand Forks, for its downtown revitalization project, took out a $682,750 capital improvement loan, which includes the $10,000 design advance, with a two year interest free period and then repayment amortized over ten years at a M.F.A. rate of 12%.

75% of the total cost of capital works completed in Grand Forks came in the form of a loan from the DRP. The City of Grand Forks was

responsible for the remaining 25% of costs. The municipality's share of costs incurred came out of their General Revenue Reserves Fund.

The cost of repaying 34.3% ($231,000) of the total $672,750 capital improvement loan is being recovered from the owners of land in the specified area for such a period of time as is necessary by the imposition under the provisions of the Municipal Act, of a levy on lands only, on the basis of assessment as levied for general municipal purposes. The ad valorem tax was chosen by the city as it was deemed to be most equitable. The remaining 65.7% of the loan is being paid by the City of Grand Forks, out of general revenue.

8.3 Impacts

8.3.1 Economic Impacts

The economy of Grand Forks has historically been supported by the local Pope and Talbott sawmill, which employs about 500 people, and other small forestry and mining operations. During the early 1980's the market for resource goods was weak, and even more recently fears about U.S. lumber tariffs have damaged the local economy. Interest in diversification through tourism has been raised as a result.

Grand Forks undertook major capital improvement works throughout the spring and summer of 1985. Only a year had elapsed since completion of the major component of the revitalization project and when data was collected on economic impacts. Despite the short time frame certain benefits of participation in the DRP have already become apparent.

1. *Employment*. 8% of the merchants we interviewed had hired additional staff as a result of Grand Forks' revitalization project. Others mentioned that they had maintained staffing levels despite difficult economic conditions because of the boost provided by the DRP.

2. *Property Assessments*. In view of the recent completion of major capital improvements in the summer of 1985, it is too early to determine any impact on assessed actual values.

3. *Market Share.* Grand Forks has managed to maintain its role as the major shopping area for local residents. However, improvements to retail facilities in Greenwood and Christina Lake have increased competition in the regional market traditionally served by Grand Forks. Further competition for larger purchases is offered by Trail, Nelson and Spokane, Washington.

   The Downtown Revitalization Programme was deemed as necessary to maintain and improve Grand Forks competitive position. 30% of merchants interviewed said more people are shopping downtown since the capital works improvements undertaken in the summer of 1985.

   Part of the increased number of people shopping downtown was attributed to tourism since Grand Forks now has a more attractive downtown core. DRP funded promotional efforts have recently concentrated on attracting visitors off the highway and into downtown.

4. *Vacancies and Rentals.* The impact of the Grand Forks revitalization project on the market for business property has been very significant according to real estate professionals. Impact on the various aspects of the market were as follows:

   a) **business property sales** - the number of business property sales in the downtown area is higher in 1986 than in 1985. Four major property sales in particular were influenced by the revitalization project.

   b) **vacancy rates** - vacancy rates for business property are lower as a result of the revitalization project stimulating demand for both lease and ownership of downtown business property. There are no vacant ground level premises in downtown Grand Forks at this time.

   c) **rental rates** - rental rates have increased as the demand for business property in the downtown area increases.

5. *Retail Sales.* 27% of the merchants said that their sales volume had increased since the implementation of major capital work improvements and facade changes. Other merchants mentioned that they had managed to maintain their sales as a result of the improvements provided through the DRP.

   Some merchants said that the timing of the capital improvement works in the summer, an important time for sales, had reduced their volume at that time. However, the prevailing belief was that this decline was short term and would be offset by future gains.

6. *Spin-off Investment.* 15% of merchants interviewed in Grand Forks have made independently funded improvements to their businesses as a result of the revitalization project.

   5 new businesses have opened in downtown Grand Forks within the past year. Some of these have relocated there from elsewhere in the city while others are new. Service oriented businesses such as restaurants dominate the new entrants into the downtown market.

   Many businesses in the downtown area are now stocking more tourist oriented merchandise to serve the increasing number of visitors to the city. The tourist industry has grown significantly over the past few years, most dramatically since 1985. Much of this recent increase is attributable to the revitalization and increased marketing.

   It appears that the Grand Forks revitalization project has had, in the short time since the implementation of capital improvements, a significant positive effect on the local economy. Tourism has been enhanced and has further growth potential as a result of the revitalization project. Diversification of the local economy through services and tourism offers benefits in terms of improved stability.

8.3.2 Physical/Aesthetic Impacts

1. No land use changes occurred in Grand Forks that can be attributed directly to the DRP

2. Parking and traffic circulation improvements.

   - the parking on the north side of Market Avenue (below 2nd Street) was changed from parallel to angle parking, which creates more parking spaces.

   - Market Avenue, between 4th and 5th Streets, was changed to one-way going East to facilitate the traffic flow from Central Avenue (highway) into the downtown core.

   - landscaping, lighting and pavement of the public parking lot on Riverside Drive have been completed.

   - reconstruction of road and sidewalk surfaces has been undertaken.

   - new parking and directional signs have been installed.

3. Improvements to municipal services and utilities have been extensive in Grand Forks.

   - new watermains were installed

   - construction of a new storm sewer system completed.

   - upgrading of the sanitary sewer system.

4. Better pedestrian access and circulation.

   - the DRP has provided additional and more highly visible crosswalks and narrowed traffic entry points.

   - extensive pavement improvements have been evident - old pavement has been removed and subsequently replaced.

This picture illustrates the use of narrowed traffic entry points and highly visible crosswalks, a new pavement surface and the use of greenery to soften the overall look of downtown.

5. Physical integration of the project into the existing community.

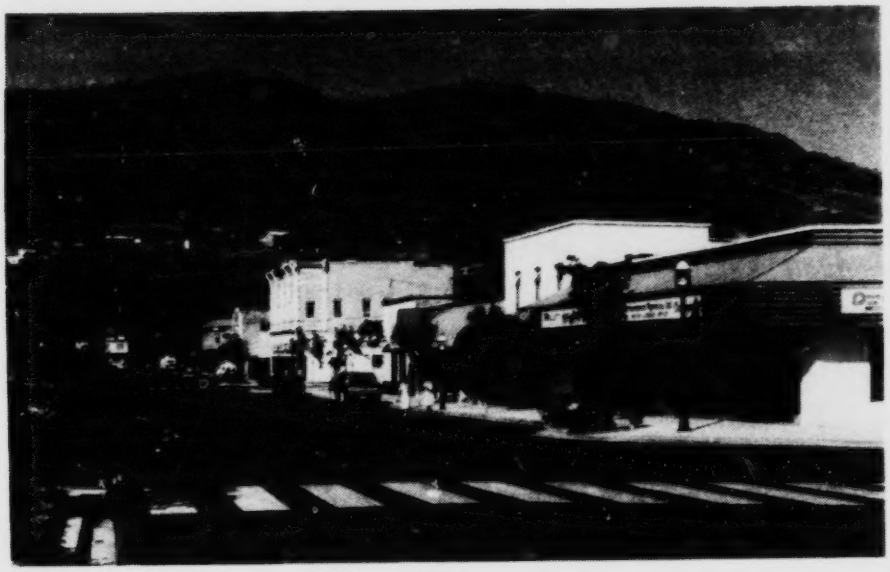
- the scale of the project is quite extensive but suitable for the size of Grand Forks.

- style is simple but tasteful. Complementary neutral colours dominate facades.

- general character is a blend of old and new. Most buildings are older but have been refurbished and some have added modern canopies and facades.

- the project generally blends into the existing pattern of movement and land use.

- heritage values were carefully considered.



This picture depicts the general character of downtown Grand Forks and illustrates the use of complementary modern and heritage style.

6. Beautification/Aesthetic Elements

- a total reconstruction of sidewalks was undertaken. Decorative paving was used on corner edges and curb flares were installed at corners where amenity areas were established.

- street landscaping undertaken includes the planting of deciduous trees and shrubs, and amenity areas set out from sidewalks which contain benches, planters, trees and one with an ornamental drinking fountain.

- overhanging lamp standards have been replaced with ornamental black low-level lamps (2 heights - to differentiate between mid-block and the corners).

- excellent facade improvements were undertaken. Primarily earth tones have been used for canopies which don't clash thereby allowing property owners to express their own style on interior painting, displays and other beautification (aesthetic) elements.

This picture gives an overall view of the main shopping street in Grand Forks, and illustrates the extensive use of trees, grass and shrubery to improve the aesthetic appeal of downtown.

7. Improved safety and convenience features include:

- extensive paving improvements have improved pedestrian and traffic safety.

- improved orientation has resulted from better signage.

- Grand Forks has constructed distinct entrance features at 2nd and 5th Streets on Central Avenue which includes unique and colourful directional signage promoting downtown and easy access to parking facilities.

- extensive canopy system now exists along Market Avenue; less so on 2nd Street but an attempt has been made. Canopies protect shoppers from natural elements.

This picture illustrates the use of bollards to distinguish pedestrian rest areas, the use of decorative yet functional light standards of differing heights and the use of complementary colour schemes for canopies and awnings.

Discussion of Physical/Aesthetic Impacts.

Downtown is the central focus of Grand Forks. The physical design features of their downtown revitalization project reflect the spirit of the community. The community as a whole has taken on the responsibility of revitalization and are very happy with what has been accomplished so far.

The physical and aesthetic changes in Grand forks are exceptional . An overall theme has not been utilized here but various visual elements throughout downtown reflects the Russian ancestry of many area residents. These elements stimulate a sense of history, as well as belonging. An awareness of the past is an important element in arousing a person's sense of place, and pride in one's community is increased if a sense of place exists. Improvements in the appearance of Grand Forks are the most visible impacts resulting from the revitalization project. Responses to these tangible improvements also stimulates pride in residents that is conveyed to visitors. Grand Forks has done an impressive job of revitalizing its downtown and residents promote it willingly.

Of those people interviewed in Grand Forks 93% are pleased with overall downtown revitalization improvements whereas 7% were dissatisfied and qualified this by saying that they are not pleased because side streets such as 3rd and 4th Streets should have been improved along with Market Avenue. Elements people are most impressed with include the replacement of underground services, street lights, roads, sidewalks as well as the planting of trees and shrubs. Also mentioned was the need to continue working at attracting people off the highway and into downtown.

100% of those interviewed felt that facade improvements, in particular, met or exceeded their visual expectations. Respondents feel that facade improvements have really improved the looks of Grand Forks and that it was now "clean and attractive".

The visual impacts of the Grand Forks revitalization project make lasting impressions on visitors who observe it for the first time and those residents who experience it every day.

8.3.3 Attitudinal Impacts

Participation in the Downtown Revitalization Programme has improved the attitudes of those involved with the downtown business community in Grand Forks. Merchants in general are more aware of the possibilities for future development of the downtown area. It appears that a more expansionary mood is prevalent amongst merchants since the revitalization project's implementation. However, the recent completion of Grand Forks' revitalization project means that the impact discussed here may not be complete.

1. Most downtown merchants belong to the Grand Forks Chamber of Commerce, the only local business organization. Membership has always been large and no appreciable change has occurred since the revitalization project.

   In 1981 as a result of hearing about the Downtown Revitalization Programme, the Grand Forks Chamber of Commerce struck the Downtown Revitalization Committee. This committee was instrumental in bringing the DRP to Grand Forks.

2. The quality of the inter-merchant relationship in downtown Grand Forks is good according to 75% of the merchants interviewed. This relationship had improved since the implementation of the revitalization project according to 42%, while 58% said it had not improved. The latter figure reflects satisfaction with the relationship as it existed prior to revitalization.

   Disappointment was expressed by merchants off Market Avenue because the revitalization project concentrated on Market Avenue while neglecting other downtown streets. This problem should be ameliorated by future improvements to downtown which concentrate on other streets.

3. Grand Forks' revitalization project has had a positive impact on merchant confidence and willingness to invest in their own businesses, according to response from 79% of merchants.

   Some merchants had reservations about the future of Grand Forks based on concerns about possible U.S. lumber tariffs. However this was balanced by the view that tourism in Grand Forks has major growth potential, much of it due to the attractive downtown surroundings financed by the Downtown Revitalization Programme.

   Willingness to invest in downtown business has been enhanced by the revitalization project. Over $30,000 in facade improvement grants have been utilized here while almost $3,000 in promotion aid has been claimed in the year since completion of capital improvements.

   Overall it appears that the attitudes of those in business in downtown Grand Forks have been improved. Merchants are more active in improving their own businesses and in promoting their downtown than they were prior to the implementation of the Downtown Revitalization Programme.

8.4 Programme Delivery

8.4.1 Overview of Delivery System

As an initial step in the downtown revitalization process Grand Forks had its downtown area designated by the Minister in April, 1981. The start-up grant was paid out in June, 1981, and the design advance loan forwarded to the City in February, 1985.

The start-up grant received by Grand Forks for their downtown revitalization project was used, along with other monies, to hire consultants to help complete concept plans and establish priorities.

In July, 1982, $75,000 was allocated for Grand Forks to assist property owners in the facade improvement component of the DRP. These funds were allocated for one year, during which time no shops had been renovated and no money was paid to the downtown merchants. The ministry wanted to continue to encourage merchants to participate in the renovation of their storefronts. As a consequence they allocated $10,000 for 1983. The merchants were enthusiastic about upgrading their storefronts and actually surpassed their 1983 facade improvement grant fund allocation by over $5,000. To date over $30,000 has been utilized for facade improvements within the designated downtown area.

In June, 1984, a $585,000 capital improvement loan to undertake capital works in the downtown specified area was given approval-in-principle. In November, 1984 after reviewing and refining total project requirements, Grand Forks determined that more funding was required to implement the DRP. They asked for an increase of $87,750 and received Ministerial approval of this in December, 1984. Total capital improvement loan that had been approved now stood at $672,750.

In November, 1984 a specified area bylaw was prepared by the municipality and passed by a large majority of merchants. After the property owners' commitment was determined and the petition received by the City of Grand Forks Council the specified area bylaw was

established by the City. The Bylaw was then sent to the Ministry of Municipal Affairs for approval by the Inspector of Municipalities, which was given on November 15, 1984. Once approval and copies of the capital improvement loan agreement were received by the City the capital works component of the DRP began. They received the first payment of $100,912 for their revitalization project in March, 1985. The final instalment, of $571,837, on the capital improvement loan was received in October, 1985, upon completion of capital works in downtown Grand Forks.

An initial $2,205 promotion aid grant was forwarded to the municipality in March, 1986, to assist in the Chamber of Commerce 1985 promotional campaigns. The merchants are eligible for more promotion aid grant funds but as their project was only completed in 1985 they have just begun to market their newly revitalized downtown.

8.4.2 Programme Delivery Evaluation

Responses - Merchants and Property Owners

Of fourteen merchants interviewed, 40% directly participated in the facade improvement grant component of the programme.

1. Of the 40% who participated, 100% felt that the facade improvement grant was easy to apply for. No comments beyond a simple "yes" were given.

2. Again, 100% felt the grant application process was efficient. Respondents said it was simple and could not be improved.

3. 100% felt that the 20% (or $200/metre) grant was enough money to aid them in completing facade improvements on their building. It was stated that few people would have taken part without it and it was a good incentive. Someone commented that it was enough "as we have to pay most of our own way." Only one person, even though they agreed that the 20% grant was enough, said: "...but I'd always like to see more."

4. 100% stated that their visual expectations of facade improvements had been met or exceeded. Respondents said that

the facade improvements had really improved the looks of Grand Forks and needed to be continued.

5. Once again, 100% felt they were given sufficient guidance when entering the facade improvement component of the programme. "The DRP administrator was great, very enthusiastic and approachable - always willing to help us along."

6. 80% of respondents said that benefits they have received exceed the costs incurred in making facade improvements. The remaining 20% did not feel benefits had exceeded costs incurred but improvements had allowed merchants to hold their own. Benefits received were primarily in the form of increased pride, a more visually pleasant area and the positive comments received from customers.

7. 100% agreed that the facade improvement component of the DRP was well worth participating in, especially for the improved looks and attractiveness of downtown.

Responses - Municipal Contacts

The City of Grand Forks' Administrator and Clerk/Treasurer, who played a role in administering the programme locally, was interviewed. Questions focused on Ministry delivery of the various components of the programme and its impact on their community.

As in other communities, the objectives of the DRP were clear to the municipality when they were entering into the programme. The city strove to work alongside ministry objectives to give downtown an economic boost and improve attitudes of merchants and consumers. "We needed an injection of adrenalin into downtown and the DRP is doing its intended job."

1. Regarding delivery of the start-up grant the City of Grand Forks had no problems with the application procedure and were also satisfied with the amount of the grant.

2. Grand Forks had no problem with delivery of the design advance loan and criteria were clear as to the purpose of the advance.

3. Again, no problems were encountered with delivery of the capital improvement loan. The City representative said that the criteria were clear regarding this loan and follow-up was sufficient. He did comment that "we always want more but in reality it was sufficient."

4. The City of Grand Forks could not comment on this as they did not have experience with delivery of the promotion aid grant because the Chamber of Commerce dealt with this.

In addition to these specific questions we asked for suggestions on ways to improve the DRP delivery system in general. We were informed that they could not recommend any improvements since no problems were experienced.

8.5 Conclusion

Grand Forks has accomplished a great deal with their downtown revitalization project. It has been used as a catalyst to improve the overall attractiveness of downtown and attitudes of merchants and other townspeople. As the capital works project was completed in 1985 impact of the DRP is difficult to ascertain over just one year, but some benefits are evident.

Economic impact is already apparent. 8% of merchants have been able to hire additional staff over the past year and others have maintained staffing levels in difficult economic times as a result of revitalization efforts. It was impossible to determine if commercial property values have changed within only one year. It was determined that property sales are up in 1986 and commercial vacancy rates are lower than last year.

Downtown not only has maintained but actually increased its preeminent role as a major shopping centre for Grand Forks and area residents. 30% of merchants said more people are shopping downtown now than prior to the DRP. Retail sales are up according to 27% of merchants and others said they have been able to maintain sales figures.

The DRP has been able to stimulate spin-off investment in downtown Grand Forks. Five new businesses have opened in the past year and 15% of merchants have made independently funded improvements to their business they would not have done otherwise. A few people were convinced that an increase in tourism is due in part to the new vitality, style and overall look of downtown.

One of the most impressive and necessary aspects of the physical revitalization project undertaken was the replacement of underground services and utilities. This was a major undertaking but one that took much foresight on the part of the municipality and revitalization committee. A newly paved road was laid on top of this, sidewalks replaced and additional parking spaces created. The flow of traffic into downtown has been improved with the addition of two distinctive entrance features on the highway (Central Avenue), a one-way street leading in at one end and highly visible and unique signage. Streetscape elements such as planters, benches, ornamental yet functional streetlights, trees, a water fountain and eye-catching facades create the atmosphere of downtown. Many of the visual elements, especially signage, reflect the Russian ancestry of many area residents. 93% of townspeople are proud of what has been accomplished and the remaining 7% are proud of the results but are not pleased because most sidestreets were not improved at the same time.

Attitudinal improvements are widespread in Grand Forks. The merchants' working relationship has improved because of involvement in the DRP, say 42% of those interviewed. The Chamber of Commerce downtown revitalization committee has been deeply involved in the revitalization process from the very start and are continuing their efforts, emphasizing the promotional aspect of the programme. Confidence in the future of downtown is very high and 79% of merchants are willing to invest further in their business even though there is some concern about possible U.S. lumber tariffs in the near future.

No problems were encountered with delivery of the DRP financial incentives. The municipality was satisfied with the money allocated

by the province for start-up and capital works components of the programme. Merchants were satisfied with the facade improvement grant. It was an excellent incentive as most merchants would not have undertaken such work if there was no grant money available. 80% of merchants said benefits, particularly a more visually pleasant area, positive customer attitudes and an increase in personal pride, have well exceeded costs incurred in making improvements.

The whole community participated in the revitalization project and as a result plans were carefully reviewed before approval was given for the go-ahead. Overall, the quality of the completed project is excellent. Everyone in the community is proud of the results and are quick to boast about "downtown" to visitors.

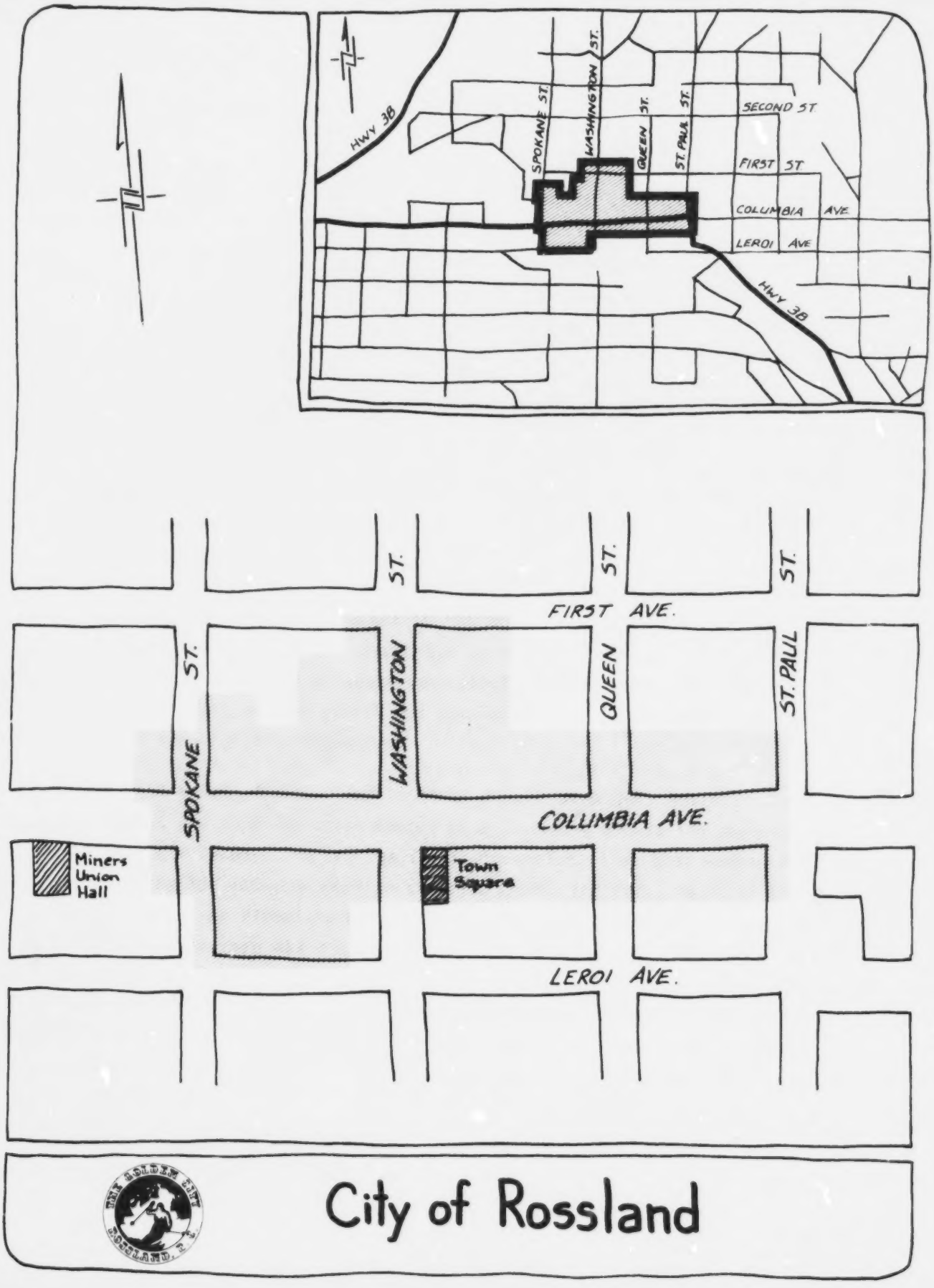
8.6 Recommendations

1. The revitalization of downtown Grand Forks needs to be expanded. Side streets that radiate off Market Avenue, in particular, need to be improved so the core area revitalization looks complete.

2. Facade improvements on buildings not done yet should be actively encouraged by the municipality and Chamber of Commerce. The quality of facades so far is excellent and must be continued in the future.

3. Emphasis should be placed on tying the river bank area and downtown together. The two areas should be capitalized on as both have immense potential. The idea of a campground/recreational vehicle park should be explored for the river bank area directly east of downtown. This would help the municipality in their goals of attracting more tourists.

4. Work must be continued on increasing tourism as this area has excellent growth potential. Central Avenue needs further improvement if it is to interest enough people going by on the highway to take time to see the rest of downtown and vicinity. Entrance features are a start but Grand Forks must go beyond this and create an appealing visual environment along this stretch of highway paralleling Market Avenue.



City of Rossland

9.0 ROSSLAND

9.1 Description of the Study Area

Rossland is a small alpine community with just under 4,000 residents. It is located in southeastern British Columbia six miles south of Trail and six miles north of the international border, in the Monashee Mountains. It is called the Golden City because its history and reason for being is closely tied to gold mining. In the late 1800's and early 1900's it was a booming mining town with over 5,000 residents. When the Rossland mines closed in 1927 the community had to rely on the Cominco Smelter in Trail for employment. Rossland has primarily been a bedroom community for Trail ever since this time.

The community remained fairly stable until quite recently when Cominco began to lay-off employees. Approximately eighty percent of Rossland's residents work at Cominco and so when the company laid off approximately 40% of its employees in the early 1980's it hit this community very hard. People had less disposable income and were pessimistic about their future in the area, which was then reflected in attitudes towards the community. Local government officials and merchants became very concerned about the future viability as downtown shops became vacant and people began to leave in search of better opportunities elsewhere.

Rossland's City Council and business people were well aware of the economic and physical consequences of a declining population base and disposable income. Before the first signs of decline they worked at improving the downtown core so it would remain the focal point of the community. As virtually all of Rossland's businesses are located in the downtown core the city wanted to improve upon its role of "main street" by offering goods and services as well as a place for people to socialize. No suburban type shopping centres exist in the area so there is no competition from this sector. And, the nearest competition for Rossland's downtown core is in the City of Trail, six miles north.

Tourism is what offers the most growth potential in the short to medium term (5 - 10 years) outlook for Rossland. In order to attract more tourists and locals downtown the City decided to undertake a revitalization project. The project that they undertook has included work supported by the Provincial Downtown Revitalization Programme and the Heritage Area Revitalization Programme (H.A.R.P.) as well as the Provincial Tourism Development Industry Subsidiary Agreement (T.I.D.S.A.). They have worked together to create a more attractive and liveable downtown with emphasis on Rossland's unique heritage as a booming turn-of-the-century mining town.

In November, 1980, the City of Rossland applied to the minister to have the downtown area designated under the DRP. They received the desired designation in December, 1980. In April, 1981, they were given a start-up grant of $5,000 to assist Council and the business community to establish priorities and arrive at a conceptual plan for revitalization works. It was the beginning of a very successful downtown revitalization project.

9.2 Programme Overview

9.2.1 Work Completed

Downtown Rossland, as designated by the minister, is composed of one specified area - the "Downtown Revitalization Specified Area".

The capital works project was completed here in 1984. Actual work completed in Rossland did not deviate from proposed plans. They hired three different consultants to assist them with engineering and design features of their downtown revitalization project though all physical works completed were done by municipal staff and construction crews.

In addition to the completion of capital works most commercial property owners in the designated downtown area have taken advantage of the facade improvement grants to upgrade their building exteriors. To date over $22,000 has been utilized for this purpose.

Rossland, through the Rossland/Red Mountain Business Association (R.R.M.B.A.) has so far received promotion aid grants totalling almost $11,000. This money has been well utilized for such things as downtown open houses, seasonal promotions, a "Get to Know Rossland" campaign, a Mountain Music Festival, Golden City Days, sidewalk sales, a visitor's guide and joint media advertising.

In Rossland work completed under the DRP has been well received. Along with other government programs, such as H.A.R.P. and T.I.D.S.A., the community has become deeply involved in the revitalization of downtown.

They have completed their revitalization project with enthusiasm and incorporated a turn-of-the-century theme to enhance the existing heritage buildings and provide an attractive streetscape. Initially the revitalization project was started by city council but merchants caught on quickly and are now very keen about it, as the high participation in facade improvements has shown.

As growth in the tourism sector is a major goal many established businesses have shifted their emphasis on goods and services to the tourist trade. A few new businesses have opened downtown in the last few years but it has remained relatively stable.

Overall, the merchants realize the importance of cooperative advertising, and the use of such promotional techniques is increasing. Council and the recently formed Business Association (R.R.M.B.A.) are working together closely on their goals of stimulating the downtown core and improving the area's tourism potential. Generally, confidence in the future of downtown Rossland and the community as a whole is very high.

9.2.2 Financial Aspects

Rossland, for its downtown revitalization project, took out a $270,000 capital improvement loan, which includes the $10,000 design advance, and a $150,000 grant under the Downtown Revitalization Programme. The repayment schedule for the loan allows for a two year

interest free period and then repayment amortized over ten years at a M.F.A. rate of 12%.

75% of the total cost of capital works completed in Rossland was covered by the DRP capital improvement loan. The remaining 25% of costs came out of the City of Rossland's general revenue fund.

The cost of repaying the $270,000 capital improvement loan is being borne by both the owners of land in the specified area and the City of Rossland. Two separate bylaws were adopted as owners of land in sections of the specified area are paying for different capital works as some benefit more than others. Those property owners covered under Bylaw No. 1460 are helping to pay for new sidewalks, curbs and gutters, while those property owners covered under Bylaw No. 1461 help pay for amenity areas.

Under Bylaw No. 1460 the sum of $153,333 is being borne on the basis of 44.8% ($68,693.18) by the owners of land in the specified area and 55.2% ($84,639.82) by the City. Under Bylaw No. 1461 the sum of $116,667 is being borne on the basis of 44.8% ($52,266.82) by owners of land in the specified area and 55.2% ($64,400.18) by the City of Rossland. The costs were recovered from the owners of property in the specified area by the imposition of a frontage tax imposed by bylaw under the provisions of the Municipal Act only on the basis of assessment as fixed for general municipal purposes.

9.3 Impacts

9.3.1 Economic Impact

In determining the economic impact of the Downtown Revitalization Programme in Rossland several problems were encountered.

1. Rossland's participation in the Heritage Area Revitalization Programme (HARP), which offered assistance similar to the facade improvement grant obscured the impact of the DRP.

2. The recent completion of major capital improvement works in winter 1983-1984 provides a limited time frame to determine economic impacts.

3. The recent difficulties experienced by Cominco, the major local employer, have caused a recession in the Rossland area.

It appears that the DRP has already provided minor economic benefits to Rossland but that the major benefits to participation will be over the long term. The DRP is seen as an essential part of Rossland's strategy to develop the local tourist industry.

Some specific economic impacts were evident in Rossland.

1. *Employment*. 20% of the merchants interviewed had hired more staff as a result of the revitalization project. This low figure reflects the fact that significant increases in consumer demand have either not occurred or have been met by existing staff.

2. *Property Assessments*. Assessment data collected for the years 1982-1986 indicates that the assessed actual value of business property within Rossland's downtown area has declined marginally since 1982 while that of the Rossland area as a whole has declined since 1984.

   Unfortunately, the timing of the major DRP capital improvement works in winter 1983-1984 meant that assessment changes would be reflected in British Columbia Assessment Authority data for 1985. With the weakness of the local economy over the past several years, there has been insufficient time to determine if significant change has occurred in the market for business property.

3. *Market Share*. Downtown Rossland has retained its role as the goods and services centre of the community. No major competition has entered the market recently.

   Recently Rossland merchants have suffered declines in their business due to weakness in the local economy because of Cominco. People shopping downtown are spending conservatively due to high unemployment.

   However, 18% of merchants we interviewed said more people are shopping downtown since the implementation of the DRP in

Rossland. This increase is attributed to the beautification improving tourism and to improvements in community pride.

4. *Vacancies and Rentals.* According to real estate professionals and merchants in Rossland the DRP has had no discernible effect on the market for business property. Commercial vacancies and rental rates have been unaffected.

   Although it is expected that the revitalization project will have a positive effect on the market for business property in the future, present economic conditions make short term improvements unlikely.

5. *Commercial Mix.* The commercial mix in Rossland has not altered since the implementation of the revitalization project. Some businesses have started stocking more tourist oriented merchandise but in general the local businesses have maintained their emphasis on serving local needs.

6. *Retail Sales.* 38% of merchants we interviewed had experienced increased sales since the implementation of the Downtown Revitalization Programme. Merchants enjoying increased sales gave revitalization much of the credit for the improvement.

   Other merchants felt that the impact of the DRP on sales was positive but that it had been overshadowed by the weakness in the local economy. Had Cominco maintained its workforce, thereby bolstering consumer spending, the DRP would have had a more noticeable effect on sales.

7. *Spin-Off Investment.* Only 11% of merchants we interviewed had undertaken independently funded improvements to their businesses. This rather low figure is more understandable when considering the extensive support provided by the HARP project in Rossland which also involved funding a portion of merchant's exterior renovations.

   Rossland is attempting to become more of a tourist destination through improvements to the downtown area funded by both the DRP

and HARP. The DRP project with its concentration on capital improvements, promotional efforts and beautification was necessary if Rossland is to attain its goal of developing a larger tourist industry.

In summary, the DRP has been a positive stimulus to Rossland's economy. Despite weakness in the local economy due to Rossland's dependence on Cominco some benefits have already become evident. Further benefits are expected as the local economy is diversified by development of Rossland's immense tourism potential.

9.3.2 Physical/Aesthetic Impacts

1. Only one land use change has occurred in Rossland that was influenced by the Downtown Revitalization Programme.

   - the renovation of a 4,000 square foot building into a mini shopping mall with 6 - 8 small shops and/or offices. The interior depicts a turn-of-the-century mining town.

2. Parking and traffic circulation improvements in Rossland as a result of the DRP are few.

   - A two-hour parking limit is now being enforced.

   - general improvements in lighting have been completed including the use of more decorative lamp standards.

   - removal and replacement of road and sidewalk pavement has been undertaken.

3. A few municipal services have been improved in Rossland as a result of the DRP such as:

   - the replacement of storm sewer leads.

   - the installation of a new storm water collection system.

   - the placement of electrical conduits underground.

4. Pedestrian access and circulation improvements.

- sidewalks have been repaved.

- a covered wooden walkway has been constructed for easy pedestrian access to downtown from the lower residential area.

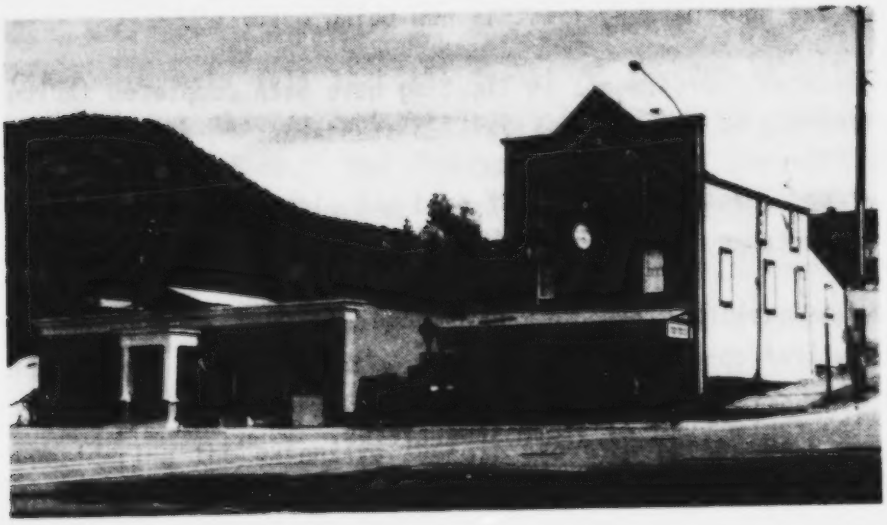
5. Physical integration of the project into the existing community has been accomplished in Rossland.

   - the scale of the project fits into the overall community plan.

   - the style is based on a historical theme blended with a modern 1980's style. They retained as many decorative features as possible on the heritage buildings.

   - street furniture and landscaping are consistent throughout and add to the total streetscape.

   - heritage elements have been considered and emphasized as Rossland also received money from the Heritage Area Revitalization Programme.



This picture illustrates historical architecture emphasized in Rossland that is so aesthetically appealing.

6. Beautification/Aesthetic elements.

- streetscape elements include placement of amenity areas that contain benches, planters, deciduous trees and waste receptacles. Trees are serviced with electricity for decorative lighting.

- a town square has been constructed that includes shade trees- both coniferous and deciduous, serviced with electricity, planters with flowers and shrubs, benches and waste receptacles. The town square is a central focus of the downtown area and a covered walkway leads up to it from the lower residential area.

- decorative old-style street lights have been installed.

- signage in a heritage theme is also part of the revitalization project and is aesthetically appealing.

- facade improvements follow no uniform theme but a heritage emphasis exists. They are reasonably consistent as most property owners participated in this component of the DRP.

- canopies and awnings installed under the DRP are generally quite similar and complementary. Colours blend well and the use of earth tones is very much in evidence.

This picture depicts the town square and covered walkway leading from a residential area. It also shows the decorative old-fashioned street lamps installed as part of the DRP, and the portable planters currently in use.

7. Safety and convenience for pedestrians, drivers and municipal workers has been improved.

   - road and sidewalk paving has been improved.

   - new signage is easy to read and strategically placed.

   - canopies and awnings installed are excellent for protection from the elements. They are quite wide and on the west side of Columbia Avenue are almost continuous.

   - plain portable planters have replaced the original permanent ones for ease of removal in winter when snowplows need unobstructed access to curbs and sidewalks.

This picture illustrates the extensive use of earth-toned canopies and awnings and gives a long view of Rossland's main shopping street.

Discussion of Physical/Aesthetic Impacts

Downtown has always been, and still is, the focal point of Rossland. The physical design elements of their downtown revitalization project reflects the town's heritage and softens the harshness of concrete and asphalt. The new look gives pleasure to residents and merchants, and impresses tourists who, even unintentionally, visit downtown Rossland as the main street is also the highway. Physical changes are only one component of the DRP but, as stated in other case

studies, they are highly visible and the ones which people remember and often judge the success of the revitalization programme by.

Physical and aesthetic changes undertaken have tremendously improved the overall looks of the downtown core. A definite sense of history has been stirred-up in residents with the use of the area's historical roots in the gold mining industry as a central theme. An awareness of the past is an extremely important element in stimulating a person's sense of place and belonging, and pride in one's community is enhanced if a sense of place exists. Rossland's residents are proud of their newly revitalized downtown business district. They have accomplished a great deal with their revitalization project and are continuing to improve upon the business core by promoting its attributes.

Of those people interviewed in Rossland 91% are pleased with overall downtown revitalization improvements and 9% were not pleased. Most residents commented that the improvements made downtown enhance the aesthetic appeal of their community and "everything is beautiful overall". There were a few negative comments regarding the portable planters. The City had originally planned to use ore cars for planters but it was reportedly impossible to find enough so they used plain, wooden ones instead. These eventually had to be replaced with portable ones because during the first winter, after the DRP, they got damaged by the snowplows. It is these new portable planters that people feel are too plain and do not fit the heritage theme. Other than this small problem merchants are pleased with the revitalization project undertaken in their community.

91% of those interviewed said that they were pleased with overall improvements made downtown. 60% felt that facade improvements, in particular, met their usual expectations. 20% said that facade improvements did not meet their expectations and the remaining 20% did not have any prior expectations. Figures reflect the fact that a majority were happy with facade improvements but others who were not commented that they did not care for some colours and that more imagination should have been used. Overall, everyone agreed that the downtown core looks much nicer than previously.

9.3.3 Attitudinal Impacts

Rossland has been extensively involved in improving its downtown core area through the Downtown Revitalization Programme and other programs. Successful participation in the DRP depends to a large extent on the attitudes of merchants and their willingness to undertake renovations, joint promotions and repay loan costs through higher taxes. Rossland has had high levels of participation in the various components of the DRP although some of the key indicators of a positive attitude on the part of merchants were not evident.

1. Participation in local business organizations has been significantly improved by the DRP. The Rossland Red Mountain Business Association came into existence in October 1983, just prior to the implementation of capital improvement works in the winter of 1983. Some of the credit for the establishment of RRMBA is owed to the DRP project.

   45% of the merchants we interviewed in Rossland were members of the RRMBA although 2/3 of Rossland merchants (almost all of whom are located downtown) are members of the association according to executive members.

2. 43% of those merchants interviewed felt there was a good relationship between merchants. This low figure reflects a level of dissatisfaction with RRMBA based on merchant's perceptions that the association is preoccupied with Red Mountain business concerns.

   A further problem with the relationship between merchants has been the weak local economy which has prejudiced some merchants against membership in the RRMBA.

3. Business confidence is unstable in Rossland according to people interviewed. Only 45% of merchants said they were confident about the future of downtown Rossland. Of the remainder, 27% were not confident while a further 27% were unsure.

As previously mentioned, the importance of Cominco to the local economy (over 80% of Rossland's disposable income is earned at Cominco) and its continuing weakness is a major reason for the lack of confidence.

However, as a result of the situation with Cominco, there is a growing perception that diversification through tourism is necessary if Rossland is to avoid the fluctuations of a resource based economy. The DRP is seen as integral to tourism promotion in Rossland and has improved confidence since diversification into tourism will increase stability in the local economy.

It would appear that the attitudes of Rossland merchants have been improved by the Rossland Revitalization Project. however, there is much room for improvement in attitudes regarding confidence and the inter-merchant relationship.

9.4 Programme Delivery

9.4.1 Overview of Delivery System

As the first step in the downtown revitalization process, Rossland had its downtown area designated by the minister in December, 1980. Within downtown only one specified area was distinguished and is referred to as the "Downtown Revitalization Specified Area".

The start-up grant for their revitalization project was forwarded to Rossland in April, 1981. It was used by the City to establish its priorities in the revitalization process and arrive at a conceptual plan and design guidelines that were used as a base from which the capital improvement loan and facade improvement grants were allocated.

The design advance loan was forwarded to the municipality in July, 1981. This was used to undertake detailed working drawings and cost estimates for revitalization works in the specified area.

In June, 1981 approval-in-principle was given to Rossland for a $270,000 capital improvement loan that included a $10,000 design advance, as well as a $150,000 grant that was given to Rossland

because of the unique heritage and tourism aspects of their proposed downtown revitalization project. As the next step, prior to undertaking capital works, Rossland passed and adopted their Downtown Revitalization Specified Area Establishment and Authorization Bylaws 1460, 1983 No. 1 and 1461, 1983 No. 2. These bylaws were initiated by City Council and approved by a majority of merchants. After approval of the specified area bylaws by the Ministry's Inspector of Municipalities and copies of the capital improvement loan agreement were received by the municipality the capital works component of the project began.

Rossland received their capital improvement loan and grant in four instalments. They were issued $61,650 on September 16, 1983 as a first advancement. The second disbursement of $122,670 was issued by the ministry on October 5, 1983. A third disbursement in the sum of $67,434 was forward to the City on December 1, 1983. The final loan and grant payments totalling $158,246 were made on March 30, 1984 upon completion of the capital works project.

In April, 1981, prior to involvement in the capital works component of the DRP Rossland received approval from the Ministry of Municipal Affairs for $200,000 to be allocated to private property owners for building facade improvements. Of this initial amount $7,772 was utilized in that year. These funds were allocated to Rossland for one year and reviewed at the end of that year to determine if the money was being effectively utilized. As a small percentage of the allocated funds were used the remaining $192,000 was withdrawn from their account at that time and allocated to other municipalities who wished to proceed immediately with facade improvements. In subsequent years more money was allocated as needed. To date over $22,000 has been forwarded to Rossland to assist property owners in the facade improvement component of the programme.

In October, 1983, the Rossland/Red Mountain Business Association (RRMBA) was formed to promote the Rossland and Red Mountain area. In February, 1984, RRMBA, with City Council approval and support, applied for a $5,700 promotion aid grant to assist them in their 1984 promotional activities. This amount was approved by the minister and

forwarded to the municipality in December, 1984. For their 1985 promotional campaigns a $5,237 grant was approved which was sent to the municipality who then forwarded it to RRMBA.

9.4.2 Programme Delivery Evaluation

Responses - Merchants

Of eleven merchants interviewed, 100% participated in the facade improvement grant component of the programme. This high percentage reflects the fact that almost all property owners in the designated downtown area participated in this component of the DRP.

1. Of the 100% who participated all agreed that the facade improvement grant was easy to apply for. Many commented that having a facade manager helped the process run smoothly.

2. Again, 100% of participants in the facade improvement component felt that the grant application process was efficient. A number of respondents commented that there was not much room for improvement.

3. 70% felt that the 20% (or $200/metre) grant was enough money to aid them in completing facade improvements. As in most communities the grant was perceived as a good incentive for making improvements. Building owners in Rossland also received a grant from the Heritage Area Revitalization programme to complete facade changes. This along with the D.R.P.'s facade improvement grant allowed merchants to receive grants totalling 70% which most felt was more than enough.

4. 60% felt that their visual expectations of facade improvements had been met. 20% said their visual expectations had not been met and the remaining 20% did not have any expectations as to how the facades should have looked upon completion. Everyone, even those who were not satisfied, commented that the downtown area looks much better than it did previously.

5. 100% said they were given sufficient guidance when entering the facade improvement component of the programme. They were

especially pleased with the help they received from both the City of Rossland and the facade manager who was hired to assist merchants with planning and design of facades.

6. 70% said that benefits they have received so far exceed the costs incurred in making facade improvements. 10% did not think benefits have exceeded costs and the remaining 20% were not certain. The general consensus was that any improvement is great and worth the increase in taxes. There are not many economic benefits yet. It is personal satisfaction that is the most visible benefit, along with the changing face of the town.

7. 100% of those interviewed said that the facade improvement programme was well worth participating in. Everyone was optimistic that the changing face of the town was for the better of the whole community.

Responses - Municipal Contacts

The City of Rossland Administrator and Treasurer, who was the local administrator of the Downtown Revitalization Programme, was interviewed regarding delivery of all components of the DRP, except the facade improvement grant as the merchants received this directly from the Ministry.

The objectives of the DRP were clear to the municipality when they were entering the programme. They have worked with the assistance of the programme to rekindle life in their downtown commercial core and to establish Rossland as a major year-round tourist destination.

1. Regarding delivery of the start-up grant the city experienced no problems with the application procedure and felt that the $5,000 grant was enough to aid in establishing priorities for their revitalization project. Criteria regarding the grant were clear to the municipality and they had no problem with follow-up from the Ministry.

2. Again, no problems were encountered with delivery of the design advance loan. Regarding the funding aspect the

Administrator/Treasurer said that the $10,000 design advance was enough to help them create working plans for their project. He commented that if more money was made available revitalization plans could become too grandiose and not financially feasible.

3. No problems were encountered with delivery of the capital improvement loan. Criteria were clear and there "was no excessive red tape" surrounding the application process. According to the Administrator/Treasurer there should not be a two-year grace-period allowed in the repayment schedule. He feels it would help to repay the loan right from the beginning so the municipality and merchants are immediately aware of revitalization costs. "If it is left for two years merchants get quite a shock when the tax bill arrives."

4. The municipality had no problems with delivery of the promotion aid grant, which was then passed on to RRMBA by the city. The 25% grant was deemed sufficient as was ministry follow-up.

Additionally we asked for suggestions on ways to improve the DRP delivery system in general. It was suggested, as mentioned above in point #3, that there be no two year grace-period in the repayment schedule. Also, as Columbia Avenue (Rossland's main street) is also Highway #3 the Ministry of Highways had to be consulted regarding repaving and their schedule did not coincide with Rossland's planned downtown revitalization project dates. The suggestion from the Administrator/Treasurer regarding this is that there be more coodination between the Ministry of Municipal Affairs and the Ministry of Highways regarding special cases where both government agencies need to be involved.

9.5 Conclusion

Downtown Rossland is the focal point of the community. It is an alpine community with numerous historical and natural features that have been enhanced with the aid and support of the DRP as well as the H.A.R.P. programme and the Provincial Tourism Industry Development Agreement (T.I.D.S.A.). The total look of the community has been improved as has its tourism potential. Many impacts here must be

credited to the influence of these three programs as the effect of one is difficult to differentiate form another in some sectors, especially economic and attitudinal.

Economic impacts are not as dramatic here as they are in some other communities examined but revitalization has influenced change. 20% of merchants interviewed have hired additional staff in the past two years which, in light of tough economic times, is substantial.

Downtown business property values have declined marginally since 1982 due to the impact of layoffs at Cominco where approximately 80% of Rossland residents work.. Also, there has been no discernible change in commercial vacancies within the past two years.

Downtown has maintained its role as the centre of the community but due to high unemployment many merchants have suffered business declines. Only 18% said there has been an increase in the number of people shopping downtown, but 38% have experienced increased sales, mainly due to revitalization.

Spin-off investment is evident by the fact that 11% of merchants undertook independently funded improvements to their business. This shows confidence because most merchants received facade improvement grants from the DRP and H.A.R.P. totalling 70% of incurred costs for physical improvements completed on buildings. Increased promotional efforts are also a spin-off from downtown revitalization. Further economic benefits are expected in the future as the economy becomes diversified.

Numerous physical and aesthetic changes have been undertaken through the DRP. Many streetscape elements are in evidence such as trees, planters, new ornamental lights, benches and signs done in a heritage theme. Numerous facade improvements with both a heritage theme and a more modern look using canopies and awnings in bright colours have been completed. Heritage elements were stressed in Rossland as they have a colourful history and some financial assistance was coming from H.A.R.P. Overall 91% of those interviewed are pleased with revitalization improvements undertaken.

Attitudinal changes are manifest in the improved participation rate in the Rossland/Red Mountain Merchants Association. Also a result of revitalization is the fact that 45% of merchants are confident about the future of Rossland. Others are concerned about the future as the community is so closely tied to Cominco.

Most though are confident that as Rossland diversifies and emphasizes its tourism potential the economy will improve.

Delivery of the DRP was executed without problem in Rossland. The amount allocated for the start-up grant and design advance loan was deemed sufficient. A comment was made that if the design advance was more plans have the potential of becoming too grandiose (for a small town). The municipal administrator felt that a two year interest free period should not be a part of the capital improvement loan as when merchants finally get the tax bill two years after the project it comes as quite a shock.

70% of merchants said that the 20% facade grant was sufficient to help them undertake changes to their building facade. Also most said a facade manager made the process go smoothly and he was a great help with design elements. With the H.A.R.P. facade grant of 50% added to the 20% from the DRP everyone was satisfied. Overall 70% of merchants said benefits, particularly physical attractiveness of the project and attitude changes, have exceeded costs incurred in making improvement and 100% said the programme was worth participating in. Promotion aid grants were also deemed sufficient to aid merchants in downtown related promotions.

Rossland is a community with employment problems due to its reliance on Cominco as a major employer. Cominco has laid-off up to 40% of its employees in the past few years, and many Rossland residents were among them. In spite of these problems it is a community that has undertaken a very successful downtown revitalization project. In the short-term it has had positive impact on some economic elements, a great deal of physical infrastructure and attractiveness, as well as attitudes of the municipality, merchants and other residents of Rossland. Over the long term the economy should be stimulated

further especially if ambitious tourism and downtown marketing is stressed and there is further merchant investment in downtown business.

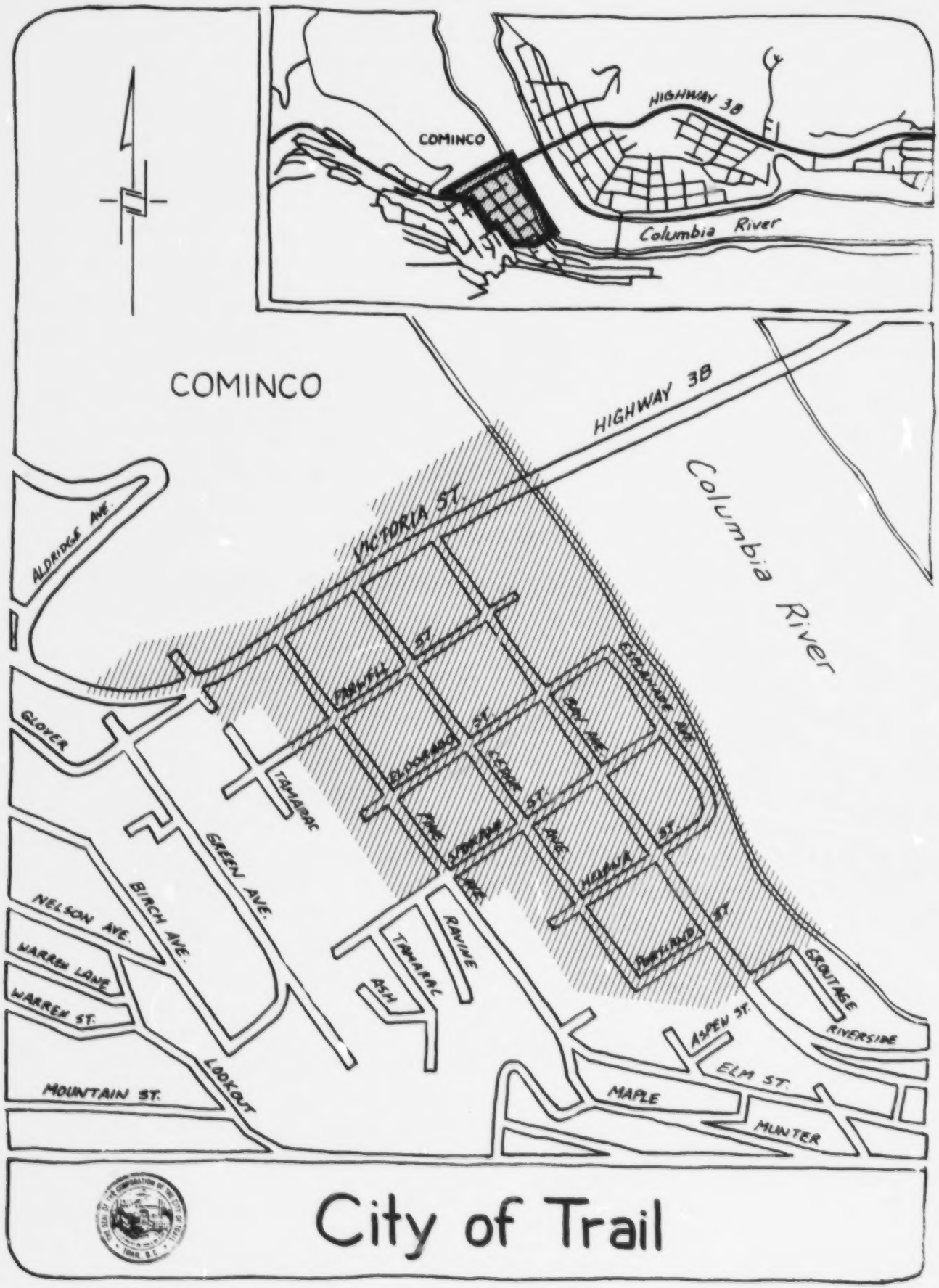
9.6 Recommendations

1. It is recommended that the municipality replace the existing planters. They are too plain and do not fit in with the quality of the rest of the project. A more suitable design should be considered but portability is essential for the convenience of municipal crews and the safety of pedestrians in winter as this area receives heavy snowfall and planters become a hazard.

2. The town square needs improvement. It is not a very appealing place to relax as too much concrete creates a harshness that needs to be softened. The idea of a public square for people to gather is excellent but as it exists now sitting there is no different from sitting on a bench on the sidewalk. If feasible the vacant property next door, or at least a portion of it should be considered for a grassy, landscaped addition with benches to the existing town square. This would create a more attractive and inviting square and more people would make use of it.

3. The R.R.M.B.A must strive towards the equal promotion of both the downtown commercial core and Red Mountain business interests as some merchants are concerned that Red Mountain receives more emphasis. The entire community warrants high quality and aggressive marketing efforts with as many merchants participating as possible if Rossland is to realize its goal of a year-round tourist destination.

4. It is recommended that the Miner's Union Hall theme nights complete with can-can dancers and roulette wheels be continued and expanded. These events have a great deal of potential that should be capitalized on as it allows people to get a feel for the colourful history of the area and its people when it was a booming mining town. These nights should be established on a regular basis and advertised over a large geographical area.


COMINCO
HIGHWAY 3B
Columbia River
COMINCO
HIGHWAY 3B
Columbia River
VICTORIA ST.
ALDRIDGE AVE.
GLOVER
PARK HILL ST.
BLOOMBERG ST.
TAMARAC
ESPLANADE AVE.
BAY AVE.
CEDAR ST.
PINE
STRAND AVE.
HELENA ST.
PORTLAND ST.
GREEN AVE.
BIRCH AVE.
NELSON AVE.
WARREN LANE
WARREN ST.
MOUNTAIN ST.
LOOKOUT
TAMARAC
ASH
RAVINE
ASPEN ST.
ELM ST.
MAPLE
MUNTER
GROUTAGE
RIVERSIDE
City of Trail

10.0 TRAIL

10.1 Description of the Study Area

Trail is a riverside community of over 9,000 residents. It is located on the Columbia River in south central British Columbia approximately 13 kms (8 miles) north of the international border and 630 kms (390 miles) by road east of Vancouver. It is a town with a long history tied to the mining and smelting industry.

Settlement in the area began at Rossland, with its proximity to the rich ore deposits of Red Mountain. Development at Trail came with the realization that shipping the ore to American smelters was too costly. An American built Trail's original foundry in 1895. Soon after this the C.P.R. built a railway line through the Crowsnest Pass and into the Kootenays. American interests were bought out and the mines came under C.P.R. ownership through its subsidiary, Cominco.

Cominco rapidly expanded its operations in mining and smelting during the early 1900's and, by 1910, 40% - 50% of B.C.'s output came from the Kootenays. The operations in Trail continued to grow and long-term development was ensured by the ready access to cheap, bountiful hydroelectric power.

Trail's economy continues to be dominated by Cominco. Silver, lead and zinc ores from the Kootenays, Alberta, N.W.T. and the U.S. are smelted and refined here. Up until 1982/83 Cominco's mining and smelting operations were sound but with the decline of world metal prices and competition from more technologically advanced operations elsewhere the Trail operations declined significantly. Due to this decline employment has been directly affected. In 1982 Cominco employed approximately 4,000 people but by 1986 the number had been reduced to 2,800.

With numerous layoffs at Cominco, people became quite pessimistic about their future in the area which was then reflected in attitudes towards the community. Those people who did not leave the area in search of better job opportunities had less disposable income and

therefore developed more selective spending habits. Trail has always had a fairly captive local market as it is the largest community in the vicinity. As well as serving local consumers, Trail acts as a commercial centre for the neighbouring towns of Fruitvale, Montrose and Warfield. As more residents left the area, and those who remained became more discriminating as consumers, some merchants who had taken local patronage of their stores for granted were beginning to realize that in order to attract customers they had to promote their business actively.

In early discussions about revitalization Trail's business community, City Council and the public agreed that the prime objective of their project would be to clean up the downtown area and make it more appealing and attractive for consumers. The theme for their revitalization project was therefore established as "Clean and Green".

Overall, they wanted to increase the attractiveness and improve the business climate of the downtown, rekindle a sense of community pride, and assist in creating an identifiable and unified downtown.

In April, 1981, the City of Trail applied to the minister to have their downtown area designated under the DRP They received the desired designation in May, 1981. In September, 1981, they were given a start-up grant of $5,000 to assist Council and the business community to establish priorities and arrive at a conceptual plan for revitalization works.

10.2 Programme Overview

10.2.1. Work Completed

Downtown Trail, as designated by the minister, is composed of one specified area, "The Downtown Core Specified Area." The City is currently planning a second revitalization project on Rossland Avenue but as yet a specified area bylaw has not been established for this project.

The capital works project was completed in early 1985. Consultants were hired in the initial stages of the programme to complete a downtown revitalization plan and prior to this a downtown parking study. After this, work was completed by municipal staff and contractors.

In addition to the completion of capital works a number of property owners, within the designated downtown area, participated in the facade improvement grant component of the programme. To date approximately $16,000 has been utilized by merchants to make facade improvements to their buildings.

Trail, through the "Downtowners" organization, which represents downtown merchants, has utilized approximately $1,400 in promotion aid grants. The grant was used for the "Downtowners" 1984 promotional campaigns which included a "Silver City Days" promotion and various seasonal sales and events such as Easter and back-to-school sales. Promotion aid grant money was allocated to Trail for the 1985/86 fiscal year but none was utilized due to a lack of interest and initiative.

Overall, the Downtown Revitalization Programme has provided additional amenities in Trail and enhanced the pedestrian environment making downtown a more attractive shopping district than it was previously. The most positive aspect of their project is the addition of amenity areas with benches, the installation of ornamental street lights and the planting of trees and shrubs along downtown streets.

10.2.2 Financial Aspects

Trail took out a $412,500 capital improvement loan, under the DRP, with a repayment schedule that allowed a two-year interest-free period and then repayment amortized over ten years at a M.F.A. rate of 12%. The City did not take advantage of the $10,000 design advance loan.

As 75% of the total cost of capital works completed in Trail was covered by a low interest loan through the DRP, the city was

responsible for the remaining 25%. The city's 25% share of total costs came out of their general revenue fund.

Fifty percent of the cost of providing improvements in the specified area, in the amount of $275,000 shall be borne by the owners of the land in the specified area by the imposition of a frontage tax imposed by bylaw under provisions of the Municipal Act. The frontage tax was chosen by the municipality as it was deemed to be the most equitable method of recovering costs.

10.3 Impacts

10.3.1 Economic Impact

The economy of Trail is almost entirely supported by Cominco where approximately 75% of Trail's full-time work force is employed. Up until 1983 Trail had been fairly well insulated from the province wide economic recession. At this time Cominco began laying off workers until the 4,000 employees in 1982 had been reduced to 2,800 by 1986.

Obviously the impacts of high unemployment and low consumer spending are very negative for downtown businesses so it is in this light that one must view the economic impact of the revitalization project.

1. *Employment*. The employment situation in Trail, with businesses struggling to avoid layoffs, is reflected by the fact that no merchants interviewed were able to increase staffing levels after revitalization. This is despite the fact that 57% claim increased sales since the completion of capital improvements in early 1985. Existing staff were obviously able to accommodate the sales increase.

2. *Property Assessments*. We collected assessed actual values for business property for the years 1983 - 1986 in both the downtown specified area and the city as a whole. Neither set of data showed any significant change and have remained stable in the past three years.

3. *Market Share*. Downtown Trail has suffered some losses of market share over the past few years. This is primarily due to the existence of an enclosed mall on the outskirts of town and increased competition from other area communities. Despite this Trail has held its own.

   45% of merchants interviewed said that more people have been shopping in downtown Trail since the revitalization project's implementation. Most of this is attributable to the relocation of Zeller's to downtown, but physical improvements were also considered a factor.

4. *Retail Sales*. 57% of merchants interviewed said that their sales have increased marginally since the revitalization project was implemented. Much of this is due to an apparent improvement in consumer spending resulting from some very recent rehiring at Cominco. Merchants also credited the revitalization project with having a positive impact on the level of their sales.

5. *Spin-off Investment*. 22% of merchants interviewed have made independently funded improvements to their business directly as a result of the revitalization project.

   Further municipal expenditure on beautification is also being undertaken. The riverfront esplanade area already improved with DRP funding is the main target of future work.

   As the municipality felt that the DRP improved the physical attractiveness of downtown Trail, further participation is being undertaken. Rossland Avenue in Trail has recently (March, 1986) been designated as a downtown area under the DRP.

Some difficulty in determining the economic impact of the revitalization project was encountered in Trail due to the volatile nature of the local economy. However, the overall impact of the project has been positive. Generally, merchants are pleased with the work carried out and feel that economic benefits will continue over the long term.

10.3.2 Physical/Aesthetic Impacts

1. No land-use changes have been undertaken in downtown Trail that can be attributed to the DRP.

2. Parking and traffic circulation improvements in Trail, as a result of the DRP include:

   - the enforcement of parking metre time limits and the change from 4 hour to 2 hour time limits in high demand areas. As a result of this there has been an increase in revenue from parking metres

   - improved street lighting

3. Municipal services and utilities improvements due to the DRP include:

   - the replacement of electrical conduits and wiring on Cedar Avenue

   - removal of many overhead lights replaced by lower level lighting

4. Better pedestrian access and circulation.

   - it is now easier to get parking spaces in the heart of downtown as metred time limits are being enforced

   - have been no pavement or sidewalk improvements

5. Physical integration of the project into the existing community.

   - it was a very small scale project and has had minimal impact on the downtown area, but what has been accomplished has enhanced the aesthetic appeal of downtown

   - style for street lights and amenity areas is uniform and complementary but facade styles are haphazard and too few

- no central revitalization theme has been used in Trail to blend the existing mixture of historic and modern architectural styles.

This picture gives a long view of one of Trail's main shopping streets and illustrates how trees give the street a softer and more appealing look.

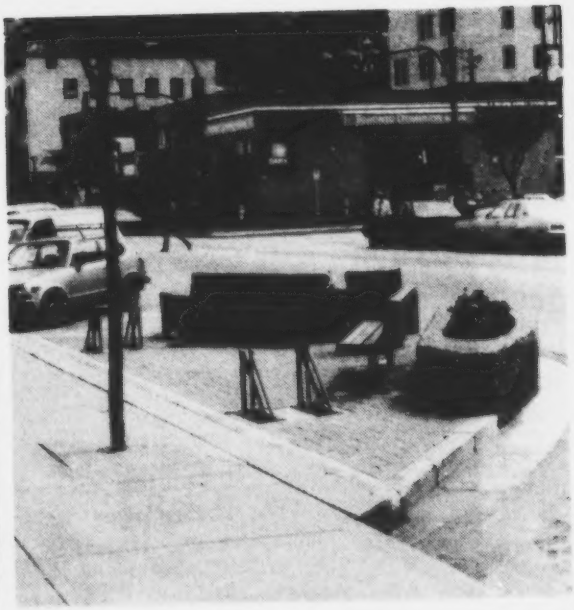
6. Beautification/Aesthetic Elements

- street landscaping was undertaken that included planting trees on the streets and along esplanade park and the construction of rest/amenity areas with interlocking brick paving stones that include benches, planters and bicycle racks

- new, decorative lighting has been installed

- improved signage on streets and some buildings has been accomplished but is minimal

- have been some facade improvements but so far few merchants within the designated downtown area have participated



These two pictures illustrate work completed on the Esplanade beside the Columbia River, complete with decorative lights and one of very few rest areas constructed on downtown streets.

7. Improved Safety and Convenience

   - there is better orientation as there have been signage improvements

   - canopies for protection from the elements have been installed by some merchants but the canopy system is not consistent

Discussion of Physical/Aesthetic Impacts

Downtown is the central focus of Trail and contains all of the commercial activities in the core area. It is an area that is geographically defined by the Columbia River to the east, Lookout Mountain to the south and Tadanac Bench to the north and east. These geographical features have contained the core's growth which has resulted in a compact, well-defined core. The core is compact but there are two north-south and three east-west oriented streets where most downtown businesses are concentrated. Trail is unlike most other communities evaluated as it does not have just one or two main

shopping streets. When implementing the DRP this makes it difficult for a community to create a unified downtown core. To accomplish this it is necessary to have most merchants in the area improve their building facades, and for the City to undertake extensive capital works.

In Trail's designated downtown area few merchants have participated in the facade improvement component of the DRP. Unfortunately, the attempt at a comprehensive facade treatment scheme has so far fallen short of initial goals. The City has tried to complete streetscaping on all main business streets and have accomplished their goal of increasing the attractiveness of downtown by adding some greenery and installing amenity areas and new modern-styled street lights.

In Trail 82% of people interviewed are pleased with overall improvements as a result of the DRP. The remaining 18% are not pleased because they felt that the money was wasted and could have been used for more important everyday needs. There were also complaints from a couple of these people about the loss of parking when amenity areas were built, and the style of street lights. Other than the few who are not satisfied most were happy with how their downtown core looks at present. "Clean and Green" was the theme for Trail revitalization and most people feel that this has been accomplished. "It is nice with trees and benches, and even though rest areas reduce parking spaces they are acceptable." There were a few suggestions on ways to improve aspects of the project. It was suggested that the City plant both coniferous and deciduous trees along the streets as Trail gets lots of snow in winter and when the deciduous trees lose their leaves downtown looks barren until Spring. Another comment, that could apply to other communities looking at installing similar street lights, was that the new lights only throw light down and not out, so are useful for pedestrians but not automobile traffic.

Responses from merchants regarding facade improvements were limited but those who did comment said that they would like to see more done. They like the concept of facade improvements but said that what has

actually been accomplished to date is disappointing. It was suggested that more of a uniform theme be implemented.

Overall, the DRP in Trail is seen by merchants and the municipality as a worthwhile project to be involved in. It may not have accomplished everything the programme emphasizes but it has acted as the initial catalyst. The City is currently undertaking such beautification projects as seeding and planting trees along the river bank to improve the look of this area. Hopefully in the future the merchants of Trail will take it upon themselves to improve their building facades and work together to promote their downtown as an asset to the community and as "the" place to shop.

10.3.3 Attitudinal Impacts

The Downtown Revitalization Programme has not had a significant impact on the attitudes of merchants in downtown Trail.

1. The two major business organizations in Trail are the Trail Downtowners and the Chamber of Commerce. The Downtowners organization is the principal representative of downtown concerns whereas the Chamber represents other interests as well. 64% of the merchants we interviewed in Trail were members of at least one business organization.

   It appears that Trail's revitalization project has not had an appreciable impact on either membership or activity in the business organizations operating in downtown.

2. The impact of the revitalization project on the inter-merchant relationship in Trail has been negligible based on our interviews with merchants. 88% of merchants interviewed felt that the quality of the relationship was good while no one said that the inter-merchant relationship had improved since the implementation of Trail's revitalization project.

3. Downtown merchants are fairly confident about the future but they feel that growth is closely tied to Cominco. 73% of

merchants interviewed were confident about the future of Trail although a desire for a secondary industry was expressed.

Even though they expressed confidence about the future, downtown merchants have not demonstrated strong willingness to invest in their own businesses. Participation in the facade improvement grant and promotion aid grant programs has been low considering the size of the downtown area. Just over $12,000 has been claimed by 9 shops for facade improvements while only about $1,400 in promotion aid was claimed by the Trail Downtowners in their first year of eligibility while no claims were made in the second year. There appears to be a lack of enthusiasm for joint marketing which is a symptom of the attitudinal problems that exist here.

Overall, it appears that the DRP has not had a significant impact on the attitudes of merchants in the downtown core although they are generally pleased with what has been accomplished.

10.4 Programme Delivery

10.4.1 Overview of Delivery System

Trail had its downtown designated by the minister in April, 1981. The $5,000 start-up grant was forwarded to the City in September, 1981 and used to establish priorities for revitalization works and arrive at a conceptual plan. Trail did not take advantage of the $10,000 design advance loan.

In July, 1981 approval-in-principle was given for a $290,000 capital improvement loan. This was increased to $412,500 in August, 1984 as merchants and Council had reviewed the original concept plans and felt that a slightly expanded project would be more effective. In July, 1984, Trail passed and adopted their Downtown Revitalization Specified Area Establishment and Loan Authorization Bylaw No. 1970. The bylaw was initiated by Council and a petition signed by a majority of downtown merchants was received so they were able to go ahead with adopting it. In September, 1984 the specified area bylaw was approved by the Inspector of Municipalities.

After approval of amendments to their capital improvement loan had been received in 1984, Trail began the capital works component of their project. After completion of capital works in early 1985 Trail received full payment on their loan, a sum of $412,500.

In June, 1984, $15,000 was allocated for Trail to assist property owners in the facade improvement component of the DRP. These funds were committed for the Province's 1984/85 fiscal year which ended on March 31, 1985. In this time period no property owners had undertaken facade improvements. The money was subsequently withdrawn from their account at that time and allocated to other municipalities who wished to proceed immediately with facade improvements. In the 1985/86 fiscal year property owners in Trail utilized over $12,000 in facade improvement grants. To date no other claims for facade grants have been made so in total a sum of $12,000 has been forwarded to Trail for this component of the programme.

In December, 1983, the city submitted an application for the promotion aid grant on behalf of the Downtowners business organization. In support of this application Council passed a resolution that recognized the Downtowners as the sole promotional body representing Trail's downtown merchants and recommended they receive the grant on behalf of the city. In June, 1984, $9,600 was approved by the Ministry for promotions in downtown Trail. Of this only $1,418 was actually utilized by the Downtowners. $5,000 was committed for the 1985/86 fiscal year but no application was made to receive any of the allocated promotion aid funds. To date the $1,418 forwarded to Trail in 1984 has been the only money utilized by merchants for joint promotions due to a lack of interest.

10.4.2 Programme Delivery Evaluation

Responses - Merchants and Property Owners

Of the eleven merchants interviewed in Trail only one person directly participated in the facade improvement component of the Downtown Revitalization Programme. This does not allow for unbiased evaluation but the comments made may prove useful for future policy formulation.

1. The one person participating in the facade improvement programme commented that the grant was easy to apply for and that the Deputy City Clerk "was a great help" in the application process.

2. The application process was considered efficient. No other comments were made.

3. It was felt that the 20% (or $200/metre) grant was a help, but "we could always use more money". It was suggested that the grant could be higher (no figure suggested) and possibly a partial low interest loan could be available as well to aid in the completion of facade improvements.

4. Visual expectations of the person who participated in this component were not met as he had expected more involvement by other merchants.

5. Guidance received from the Ministry regarding the facade improvement component was deemed to be sufficient.

6. Benefits have exceeded costs incurred. The principle benefit was said to be the positive reactions of customers to the new look of his shop.

7. The respondent was extremely positive about the facade component of the DRP and felt it had a lot of potential if more merchants would participate in it. He said that it was well worth participating in and he strongly recommended that others take advantage of it.

Responses - Municipal Contacts

Trail's deputy city clerk, who was involved in the local administration of the DRP, was interviewed. Questions focused on the Ministry's delivery of all components of the programme, with the exception of facade improvement grants which went directly to merchants. We also asked for opinions on the programme's impact in Trail, but for the purposes of this section we will concentrate on responses regarding ministry delivery of the DRP.

As in all other communities examined, objectives of the DRP were clear to the municipality when they were entering into the programme. Their own objectives focused primarily on beautification of the downtown core particularly streetscaping, installation of new street lights and amenity areas. "Clean and Green" is the theme of Trail's downtown revitalization project.

1. The City of Trail had no problems with delivery of the start-up grant, but felt that $5,000 was not enough to do an in-depth analysis of what the community's needs are and complete a comprehensive concept plan using outside consultants. The figure of $10,000 was suggested as being more appropriate. Criteria regarding the grant were clear and follow-up from the programme administrator was sufficient.

2. Trail did not take advantage of the design advance loan but suggested that $15,000 would be a more appropriate figure.

3. No problem was encountered with delivery of the capital improvement loan and it was said to be "more than generous". Criteria were clear and follow-up excellent.

4. The city had no experience with the promotion aid grant other than applying for it on behalf of the Downtowners business organization. They received quick response to their application and said that people involved were happy with the process.

We also asked for suggestions on ways to improve the Downtown Revitalization Programme delivery system. The city's deputy clerk commented that it was a very flexible programme and they were "given lots of leeway" when planning and implementing their downtown revitalization project. He therefore felt that the delivery process could not be improved upon.

10.5 Conclusion

Trail's "Clean and Green" theme for their downtown revitalization project is a great beginning to a comprehensive revitalization

strategy but only a beginning that needs to be built upon in order to have far reaching impact.

Trail's economy is almost entirely supported by Cominco where approximately 75% of local residents are employed. It is a volatile economy as Cominco depends on the fluctuating metals market and so when business is slow, employees are the first to feel the pinch. Up until 1983, when Cominco began layoffs, the economy here was insulated from the province-wide recession. The current economy is very shaky therefore any economic benefit from the DRP is easily overshadowed by this weakened local economy.

No merchants interviewed have been able to hire additional staff since completion of the DRP even though 45% said that more people are shopping downtown. Many felt that the relocation of the Zellers store downtown is a key factor in drawing more people here but they also added that the attractiveness of the area has had some influence.

Sales are up marginally according to 57% of merchants. They feel this results from a more pleasant shopping district and recent rehiring by Cominco which has increased confidence and disposable income.

There has been no significant change in assessed property values between 1983 and 1986 in downtown Trail. It is difficult to determine any change in commercial property values as only one year has passed since completion of the project.

The DRP has stimulated spin-off investment in both the private and public sectors. 22% of merchants have made independently funded improvements to their business as a direct result of the revitalization project. The programme has also stimulated further municipal expenditure on physical improvements, especially beautification of the riverfront area. In addition, Trail has begun work on a new revitalization project on Rossland Avenue which shows their enthusiasm for the programme.

Overall it is difficult to determine economic impacts over such a short time period but long-term benefits are a certainty if Trail continues revitalization efforts.

Physical and aesthetic improvements are the strength of this project. The project has had limited impact on the downtown as a whole but it has made it more attractive by the addition of trees, planters, ornamental street lamps and benches. Facade improvements completed are haphazard and to date only nine merchants have participated in this component of the DRP. Also there are not enough rest/amenity areas for the size of downtown.

Trail does have a well defined core but unlike other communities examined it has five major shopping streets. This makes it difficult for a small scale project to have much of a visual impact and it also makes it difficult to create a unified downtown core. To achieve this it is imperative that most property owners improve their building facades. This has not been accomplished yet and without encouragement it may never be. Encouragement from the province, municipality and business association could make the difference here as it appears to be the existence of pessimistic attitudes on the part of merchants which has hampered participation, rather than insufficient grant funds being made available.

The municipality has taken steps to improve on-street parking. They are now enforcing parking metre time limits and have reduced time limits in high demand areas in order to stimulate turn-over and hopefully reduce the number of employees parking directly in front of their store.

Overall, 82% of people interviewed, a small percentage of the actual number of downtown merchants, are pleased with physical improvements. Others who are not pleased commented that the money could have been better utilized for everyday needs. Few facade improvements have been completed which is very disappointing, and not a complementary reflection of merchant attitudes towards improving their business environment. Hopefully in the near future, merchants will take an

active interest in downtown and work towards making it a more attractive place to shop.

To date there has been no appreciable impact on either membership or activity in the downtown business organization. There is not a strong willingness on the part of merchants to invest in their own business and the future of downtown.

This apathetic attitude is reflected by low participation in the facade improvement and promotion aid components of the DRP. Even though interest appears low, 73% of merchants are confident about the future of Trail although a secondary industry is desired for diversification of the economy.

No problems were encountered with programme delivery in Trail. The municipality feels that the start-up grant is insufficient to complete an in-depth analysis of community needs and complete a comprehensive concept plan. The figure of $10,000 was suggested as more appropriate. The design advance loan was not utilized here. The capital improvement loan was said to be "more than generous."

Only one merchant, out of a possible nine who received a facade improvement grant, was available to answer questions, therefore answers cannot be accepted as representative of all downtown merchants. According to our respondent the 20% grant to aid merchants in making facade improvements was a great help. It was suggested though that the grant be increased and that the ministry implement an option whereby a merchant could apply for a partial low interest loan as well as the grant. The primary benefits of making facade improvements, according to this merchant, are the positive comments expressed by customers. He feels that the facade improvement grant has immense potential in Trail only if more merchants would participate.

Overall, the DRP in Trail has provided additional amenities and enhanced the pedestrian environment downtown, but merchants must now take it upon themselves to become involved in facade improvements and aggressive joint marketing. They must work together with the municipality to attract more people downtown.

10.6 Recommendations

1. A very important aspect of revitalization in Trail is the continued and accelerated emphasis on the river bank area. Fortunately, the river bank is presently the focus of beautification efforts. The river area needs to be linked with the downtown shopping streets so positive aspects of both can be emphasized. The potential exists for a downtown area which people want to spend more time in if green spaces are developed where they can sit and relax, eat lunch or have a coffee while enjoying one of Trail's most scenic spots. The idea of an entrance feature leading people to a river bank park is one way of stimulating awareness of and interest in utilizing such a feature.

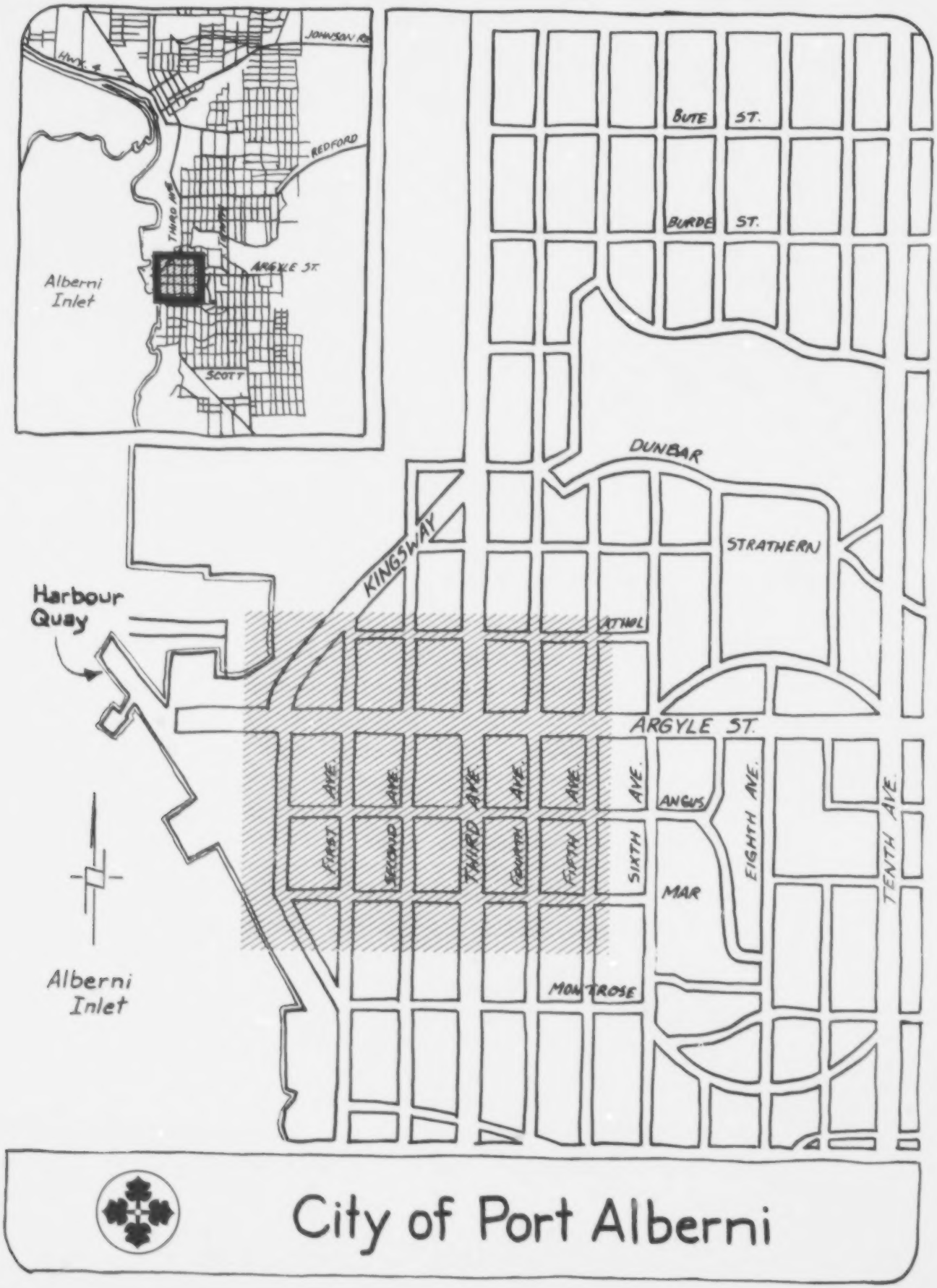
2. It is strongly recommended that the municipality and the Downtowners Merchants Association actively encourage merchants to undertake facade improvements to update and enhance their building facades. Without participation in this component of the DRP Trail's revitalization project will always look incomplete.

3. A need exists for the installation of additional amenity areas, or at least benches, on downtown streets for shopper's convenience. Currently too few are located here for the size of the downtown core.

4. It is suggested that when planting new trees along downtown streets, that evergreen trees be considered. The appeal of these trees is that when other deciduous trees lose their leaves in the fall the evergreens stay green all winter, therefore, streets do not look as barren as they would if only deciduous trees are planted.

5. It is recommended that promotional efforts be stressed by the Downtowners merchants organization. Currently this is lacking and as it is such a vital component of merchandising it needs emphasis. This component of revitalization is imperative to improve awareness and interest in, as well as concern for,

downtown and its future viability that depends entirely on consumer support.


JOHNSON RD.
HWY. 4
REDFORD
THIRD AVE.
ARGYLE ST.
Alberni Inlet
SCOTT
BUTE ST.
BURDE ST.
DUNBAR
KINGSWAY
STRATHERN
Harbour Quay
ATHOL
ARGYLE ST.
FIRST AVE.
SECOND AVE.
THIRD AVE.
FOURTH AVE.
FIFTH AVE.
SIXTH AVE.
ANGUS
MAR
EIGHTH AVE.
TENTH AVE.
MONTROSE
Alberni Inlet
City of Port Alberni

11.0 PORT ALBERNI

11.1 Background

Port Alberni is a city of approximately 20,000 located in central Vancouver Island at the head of Alberni Inlet, a deep water inlet that almost divides the Island. It is a community largely dependent on resource industries for its livelihood. Lumbering has always been Port Alberni's most important industry. Fishing, agriculture and mining exploration are also important contributors to the area's economy.

Port Alberni expressed interest in the DRP early on and entered the programme in 1982 applying for downtown designation for the South Port business district and receiving the start-up grant. The start-up grant was used to pay for a revitalization concept plan completed by a consultant. Prior to entering the DRP the South Port Merchant's Association had paid for a market research study that concentrated on defining the size and spending habits of the Port Alberni market.

In 1982/1983 the South Port Merchant's Association was allocated $5,000 in promotional aid grants of which only $1,861.27 was eventually claimed. However, it is the opinion of those involved with the SPMA that even this small amount of DRP funding had a positive effect on the quantity of promotions and the relationship amongst the merchants in the downtown area.

Port Alberni merchants undertook facade improvements under the DRP to a total of almost $18,000. The largest quantity of facade improvement grants were administered during 1984/85 when the South Port Merchant's Association engaged a local merchant to promote the consultant's revitalization plan and stimulate interest in improving building facades.

Despite municipal government support for revitalization and the interest of a few local merchants, Port Alberni failed to undertake a DRP funded capital improvement works project. In fact, Port Alberni

never proposed a specified area bylaw for the consideration of either council or the merchants in the designated downtown area.

11.2 Conclusion

According to municipal staff and merchant association executive, reasons for the failure to enter into the capital improvement loan aspect of the DRP are many.

1. Merchants were unwilling to invest in revitalization in Port Alberni since business was so bad that they considered the costs of capital improvement loan repayment excessive. There were two basic reasons for the decline in business in Port Alberni.

   a) Entry into the local market of a peripheral, enclosed shopping mall provided tough competition for downtown. Although the intention of the mall was to recapture the "over the hill" market (Port Alberni residents shopping in Nanaimo), its actual effect was to divide the local market and weaken the downtown.

   b) The economy of Port Alberni was seriously hurt by the economic recession of the early 1980's. Numerous lay-offs in the forest industry, the major local employer, caused high levels of unemployment and sharp declines in consumer spending in Port Alberni.

2. The South Port merchants had a negative experience with a specified area bylaw concerning parking during the 1970's. Dislike for projects that require a specified area bylaw to be established remains within the business community.

3. Merchants in the downtown area are of a strongly conservative nature and often distrust the motives of municipal and senior levels of government. Merchants do not like government getting involved in private enterprise. This was a problem for the city that traditionally had taken the initiative in local improvements that felt that they couldn't press for the DRP without the merchants full support.

4. The plan, as envisioned by the Hotson Group, called for a continuous canopy along both sides of Third Avenue. The merchants on other streets in the South Port downtown area felt there were few benefits likely to accrue to them with the emphasis on Third Avenue and therefore had little interest in supporting capital works through increased taxes.

5. Merchants felt that they had little to gain from downtown revitalization. They felt that recapture of the "over the hill" market was unlikely, and that improvements such as those recommended in the Hotson Report would improve the Port Alberni shopping experience but would not increase the size of the market or consumer spending habits.

11.3 Recommendations

Port Alberni's downtown merchants and the municipality must take action to restore the competitiveness of downtown businesses as well as consumer confidence. The T.I.D.S.A. sponsored Harbour Quay project is a step in the right direction but it is only an initial step that must be built upon. The Quay project can act as the catalyst for further waterfront and downtown development that is so imperative for the future viability of Port Alberni. Following are a number of recommendations.

1. Work should be undertaken to physically link the Quay development with downtown streets. A good start would be to improve lower Argyle Street and then tie this in with improvements to 3rd Avenue. Tree-lined medians, amenity areas, grassy sidewalk strips or a similar project that would narrow street pavement widths is recommended to try and capture the attractiveness of a pedestrian precinct.

2. It is recommended that a local businessman again be commissioned to "sell" the DRP to downtown property owners. It is very important here that the programme be promoted to merchants by a merchant who knows the Port Alberni market, has many contacts and hopefully is very persuasive and can influence decisions. The positive long-term benefits of the programme have to be

emphasized and other similar resource based town's success stories held up as examples. Interest must be renewed in joint promotional efforts and participation in facade improvements, as well as the importance of undertaking major capital works improvements stressed.

3. Many of the recommendations in the Hotson Report, that have not already been implemented, are suitable for implementation in their existing form or in a downscaled form to fit current economic times. An appropriate and highly useful revitalization plan exists so now it needs to be utilized.

Generally, current lack of interest in the DRP on the part of merchants especially, is a tremendous stumbling block. Both merchants and the municipality must again look seriously at participating in the DRP as it is a programme that has proven its worth throughout B.C. and one which has immense potential in Port Alberni.

12.0 CONCLUSIONS AND RECOMMENDATIONS

This final section discusses conclusions arrived at and recommendations developed as a result of this study. It is divided into three main sections, preceded by a reiteration of programme objectives (12.1). Main sections are: (12.2) **Overall Impact** which examines the impact of the DRP on communities evaluated; and, (12.3) **Programme Evaluation** which examines the design and delivery of the programme and identifies areas where adjustments to the programme would assist communities in achieving balance between physical and economic revitalization objectives.

12.1 Programme Objectives

The objectives of the DRP are twofold. These are meant to increase the economic strength and viability, as well as improve the physical infrastructure, of downtown areas by supplying municipalities and private business owners with financial incentives. Through the use of grants and low interest loans the programme is directed at bringing together merchants, municipal councils and provincial agencies to undertake concept plans, marketing strategies and street beautification works aimed at revitalizing the downtown core both physically and economically. A summary table of DRP objectives and components designed to meet these objectives is located in section 3.2.

12.2 Overall Impact

A comprehensive revitalization project has proven to be the most successful. On its own the reconstruction of roads and sidewalks, addition of trees, benches and parking areas, as well as building facade improvements will not recapture a vitality that may have once existed downtown. Of course these physical improvements are important and do act as the initial catalyst but such things as coordinated marketing, improved public relations, updating and expansion of goods and services, the attraction of complementary businesses and development of non-retail activity generators must also be implemented. Conclusively, the key to revitalization lies

both with good design and with innovative management of the downtown economy. Design provides the pleasant setting but it is then the merchants' job to take advantage of the physical revitalization of downtown and work together, using effective marketing techniques, to compete with other areas for the public's business.

12.2.1 Physical/Aesthetic Impact

In terms of physical/aesthetic impact the appearance and appeal of downtown has been improved in each case study, but to varying degrees. From the evaluation it was concluded that the most effective projects in terms of positive physical/aesthetic impact are those where both the municipality and a majority of private commercial property owners worked together on design elements and put all their energies into the overall project, as well as components each was responsible for. Examples of this collaborative approach are Chemainus, Campbell River, Grand Forks, Rossland and Courtenay. A less than optimal physical/aesthetic achievement was evident when only one element, public-capital works or private-facade improvements, was focused on. Trail is in this category as few private property owners made any effort to improve their building's facade. Finally, the only project, Courtenay, where there was a problem of design that hindered the effectiveness of the capital works project resulted from a lack of professional design advice which the municipality did not seek.

Overall, physical revitalization works undertaken by all of the case communities has improved the total look of downtown, has helped to unify the downtown core, and has worked as a catalyst to stimulate further development. Street landscaping, in particular, has enhanced and softened the appearance of the communities. Facade improvements, where undertaken, have added a necessary dimension to the total streetscape in all communities except Trail where, disappointingly, few merchants participated in this component of the programme.

12.2.2 Economic Impact

All communities examined, except Port Alberni, which did not fully participate in the DRP, have felt economic impact as a result of revitalization, but to varying degrees. Retail sales and job creation have increased, as have the number of people shopping downtown. However, the promotional aspect looms critical in explaining variations: those that did not put much effort into promoting downtown were those that felt the least increase in sales, which in turn affected job creation. Most communities have regained and often surpassed their previous share of the retail market which had declined along with the general economy and the physical decline of downtown. Chemainus, after revitalization, has surpassed its previous share of the retail market while Grand Forks, Campbell River and Courtenay have realized some increase in their market share since revitalization. All of these communities have been able to create additional jobs with the increase in market share. Additionally, Chemainus, Courtenay and Grand Forks have realized an increase in the downtown commercial property assessment base which indicates that, if tax rates are held constant, more revenue is going into municipal coffers and the actual value of property is increasing which is favourable for property owners.

A lack of interest in and concern for economic revitalization can be shown to affect the degree of economic impact felt in a community that has undertaken downtown revitalization. Both Trail and Rossland, where minimal economic impact has been felt, have their economies closely tied to Cominco. The presence of one large employer, a remote multi-facetted company, has possibly created an attitude of dependence. Due to a number of factors Cominco has reduced its workforce by almost half over the past four years. This has affected the economy as disposable income has been reduced and many people have moved in search of better opportunities. The merchants in Trail have not responded to this decline as positively as they have in many other similarly hit communities. In other communities they have taken it upon themselves to promote downtown

and the whole community aggressively in order to attract new investment.

As has been shown in communities such as Campbell River, Grand Forks and Chemainus, municipal and private investment in revitalization can act as a catalyst to existing business people who are motivated to improve their property, or complete other improvements to their business. Investment in revitalization, if used wisely, also improves the overall economic outlook of a community, which in turn attracts increased private sector development. If a revitalization project is embraced wholeheartedly by a community, newcomers are attracted as they see the initiative and drive the locals have and therefore want to become a part of such a dynamic and concerned community.

12.2.3 Critical Success Factors

From the case study evaluation it was determined what critical success factors needed to be in place in order for communities, with varying needs and goals, to get the best possible benefit out of the DRP. Factors that are critical for the success of a revitalization project in communities with varying needs are numerous. The mere existence of these factors does not guarantee the success of a project, but they do set the stage for success. These factors are: cooperation; participation; community based research and planning; commitment; revitalization committee or project coordinator; professional assistance; attention to both physical and economic revitalization goals; and, flexible administration.

Cooperative Attitude. It is extremely important that a cooperative attitude is developed, if it does not already exist, between the municipality and the business community, as well as between merchants themselves. Everyone must have the willingness to commit themselves to making revitalization a success by working cooperatively in all stages of the project, from the initial planning stage to actual implementation, and especially after the physical works have been completed and revival of the economy becomes the prime concern.

Participation. A very critical step that every community takes in the revitalization process is to establish goals and priorities for revitalization. This process should be undertaken by the municipality with input from the business community and local residents so that everyone has the opportunity to air their views and become aware of the programme and its potential. Everyone wants a say in how their community is developed and it has been proven in numerous cases that if people are given the opportunity to participate they feel a keen sense of responsibility towards the future of their community, have pride in it and therefore will usually work towards its betterment. If the municipality excludes community involvement because of time constraints or because they are of the opinion that they can make the most appropriate decisions for the community without input, a project does not have the same potential for success as it would have if widespread community involvement is included.

Research and Planning. A municipality in conjunction with the downtown business community needs to do its "homework" thoroughly prior to setting objectives and completing plans for revitalization. "Homework" undertaken would encompass a comprehensive look at what revitalization needs downtown has, in relation to both the physical setting and the economy, and how these needs fit into the needs of the overall community.

Commitment to a Plan. In order for revitalization to be a long-term investment in the future, a municipality, with input from the business community and general public, has to make a commitment to continuing efforts which the DRP can instigate. This commitment should include the completion of long-range plans for downtown in conjunction with comprehensive community plans so the revitalization project does not become an isolated effort to improve the community.

Project Coordinator. In highly successful projects a downtown revitalization committee has been formed, or a project coordinator hired. A prime role of the committee or coordinator is to sell the programme to local merchants, without whose support a project cannot become a reality, and to help market downtown in the local, regional

and even international markets. However, if the commitment is not there neither an individual project coordinator or a committee can achieve the goal of garnering extensive support for such a project and stimulating interest in, and concern for the downtown.

Professional Assistance. Another factor that is evident in successful revitalization projects is the fact that the municipality consults with professionals, especially in the areas of planning and physical design where the municipal staff's expertise in the finer points of design and suitability is often lacking. As documented in the case studies the lack of professional design advice can result in long-term problems. It can be very expensive if a major element of the project has to be corrected, and physical revitalization "improvements" can actually become an eyesore rather than the expected attraction.

Attention to Both Physical and Economic Goals. The municipality and downtown business community, when setting objectives and establishing revitalization plans, must give equal attention to both physical and economic goals of the DRP if they are to eventually achieve balanced revitalization.

Flexible Administration. So many communities have already had success with the DRP, due in large part to the flexibility allowed the administrator to package the program to suit individual communities. In order to address the varying needs and goals of different communities the DRP administration has to retain its flexibility.

12.2.4 Summary

The goal of the DRP is to increase the economic strength and viability, as well as improve the physical infrastructure, of downtown areas by supplying municipalities and private business owners with financial incentives. Overall, the DRP has been successful in communities evaluated, but not always in all aspects which the programme is designed to address. "Success" according to Webster's dictionary means a "favourable or desired outcome". In these terms all communities examined have achieved some success. The

DRP has had a favourable outcome everywhere, but to varying degrees. Complete success in terms of the DRP goals and objectives would be accomplished if a balance between both economic and physical revitalization is attained in a community. In reality not every community taking part in the programme has yet achieved both goals, even though there are many communities that have illustrated the fact that both goals are attainable with hard work and dedication.

The study has shown that the best projects are those where attention has been given to both physical and economic revitalization goals. For many communities physical revitalization is the starting point. Beautification then acts as the catalyst for a community to undertake economic revitalization, and in the end balance is attained. Conclusively, the key to revitalization lies both with good design and with innovative management of the downtown economy.

12.3 Programme Evaluation

This section evaluates the DRP with the help of a conceptual framework that is outlined in Figure 2. The framework introduces the concept that components of the DRP represent different phases in the life-cycle of the programme, and that each phase has its own unique characteristics. In the DRP life-cycle four phases have been identified that each community goes through in relation to both the physical and economic revitalization objectives of the programme. The four phases are: planning; development; operations; and evaluation. Each of these phases is examined in terms of the economic and physical revitalization objectives of the DRP and the specific programme components currently designed to address both objectives. The case studies will be drawn upon to illustrate the varying levels of community participation within components of the programme in the different phases of the DRP life-cycle. In addition, this section will examine the programme administrator's role and the local project coordinator's role in the DRP process, and where the DRP fits into an overall community plan and economic development strategy. These latter topics cut across the various phases, objectives and components of the programme. It will also

Figure 2. Conceptual Framework for the Programme Evaluation

PROGRAMME PHASE	PROGRAMME GOALS	
	PHYSICAL REVITALIZATION	ECONOMIC REVITALIZATION
PLANNING		
DEVELOPMENT		
OPERATIONS		
EVALUATION		

FUNCTION OF OUTSIDE INFLUENCES
• PROGRAMME ADMINISTRATOR • COMMUNITY PLAN • ECONOMIC DEVELOPMENT STRATEGY

Explanation:

1. The programme has two main goals and four phases. This produces (4 x 2) eight vantage points for evaluation.

2. Outside influences affect each goal at all stages. Therefore, the role of the programme administrator, for instance, can also be assessed from eight vantage points.

3. A downtown revitalization project may be seen as a component of a community economic development strategy. This, in turn, can be seen as a component of the community plan. The linkage between these instruments, once again, can be assessed from eight vantage points.

provide recommendations for change if deemed necessary. Physical revitalization and economic revitalization will be examined in turn.

12.3.1 Physical Revitalization

Planning. The planning phase encompasses the establishment of priorities a community has for revitalization, and the development of a conceptual plan that can be used as a base for costing from which the capital improvement loan and facade improvement grant can be calculated. The start-up grant represents the provincial incentive to aid the municipality and business community in developing this plan. All municipalities evaluated took advantage of this grant to begin the revitalization process.

The current focus on a "start-up grant" understates the requirements of this phase. Start-up is only a portion of what this all-important planning stage should encompass. There are elements missing from this phase which, if available, would help a community form a more solid base upon which to develop a comprehensive revitalization strategy. An element currently lacking is the completion of preparatory "homework" that examines the needs of downtown and the community prior to the establishment of priorities and objectives. This initial phase in the revitalization process needs more emphasis than it is currently receiving. It is at this stage that thorough preparatory work and planning have to be undertaken so a well thought-out revitalization plan emphasizing a programme and design suitable for the community, its people and its future growth and development is created. This is a very important phase and must not be rushed through in order to move quickly on to the developmental stage. There is nothing more frustrating and expensive than to complete an inadequately planned physical revitalization project and then to come to the realization that it, or components of it, are totally inappropriate. Courtenay's inadequately designed planters and rest areas are a case in point. In summary an enriched grant would induce communities to undertake more extensive planning at the front-end of the revitalization process.

As an incentive to undertake adequate preparation and planning, some form of grant is obviously warranted. It can be shown (Oates, 1973) that a matching grant is liable to be the preferred instrument. Ideally, the matching grant should be open-ended but, as a check against excessive spending, the matching rate should decline as costs rise. As the existing $5,000 grant has been so well received as an initial incentive it is suggested that this grant be maintained but, in addition, a 25% matching grant be made available to those communities who find it necessary to spend more than $5,000 on preparatory work, up to an initial threshold of $15,000. On amounts spent over the $15,000 threshold a 10% matching grant would be offered. For example, let us say a municipality determined that preparatory "homework" and planning for a revitalization project would cost them a total of $15,000. After approval of the study schedule, the ministry would offer a 100% grant on the initial $5,000 and a 25% grant on the remaining $10,000, for a total grant, in this case, of $7,500. This grant system addresses the need for a financial incentive to undertake preparatory "homework", planning and objective setting in the revitalization process.

Development. The developmental phase in regards to the municipality encompasses the completion of detailed design drawings, engineering plans and final cost estimates, putting the project out to tender and construction start-up. The design advance loan and capital improvement loan are the two DRP components designed to help the municipality in the completion of these tasks. They are currently two separate components but there is no reason why they should be.

The design advance loan addresses the need for detailed design plans and final cost estimation but the cost of working plans would normally be worked into the capital cost of the project and therefore be financed through the capital improvement loan. The design advance was utilized by only three out of seven communities examined in this study. The other communities chose not to apply for this advance as they felt they were capable of doing the work entailed in it through the capital improvement loan. Therefore, it is recommended that the design and costing needs that the advance currently addresses be incorporated into the capital improvement loan component. This would

improve efficiency and decrease the number of steps involved in the DRP process without compromising on effectiveness.

The capital improvement loan, a low-interest loan at 75% of incurred costs, is effective as a financial incentive for municipalities to complete the large scale capital works entailed in the physical revitalization of downtown and, therefore, needs no improvement. All communities except Port Alberni took advantage of this loan. Port Alberni did not participate in this component as the municipality was not able to garner enough support from the business community to go ahead with the project.

The developmental stage, in regards to the business community, and still in relation to physical revitalization, encompasses the completion of facade improvements on private commercial buildings. The facade improvement grant, at 20% of incurred costs, represents the incentive given to merchants to help them with facade improvements. The grant is sufficient to fulfil its objective as an incentive. If more money was granted to merchants it may become a handout or gift rather than an incentive to stimulate their own investment.

Operations. The operational phase relates to the maintenance necessary to keep a physically revitalized downtown looking well maintained. Maintenance is left entirely up to the municipality as they have work crews who are experienced in maintaining the condition of such works. The DRP recognizes this stage in the life-cycle but, appropriately it is believed, does not offer incentives. No evidence of the need for incentives was found in the course of this work hence no recommendation for change is forthcoming.

Evaluation. This phase in the programme's life-cycle includes the monitoring and evaluation of revitalization projects. Currently no formal monitoring of individual projects is carried out but individual merchants, business associations and the municipality fulfil this role and relate their findings to the programme administrator. This appears to be an effective and inexpensive way to monitor the numerous projects located throughout the province. In

regards to formal evaluation of projects, this study is the first attempt at such an undertaking. It should prove to be a valuable tool in determining the impact, efficiency and effectiveness of the programme in different communities. It is recommended that an evaluation be completed periodically to determine if the DRP is successful in achieving its stated goals and objectives. At least two years should pass from the time a revitalization project is implemented in a community and when an evaluation is undertaken to allow enough time for various impacts to be felt.

12.3.2 Economic Revitalization

Planning. The planning phase for the economic revitalization objective of the DRP is not emphasized. This stage in the process needs more emphasis. For economic revitalization to become successful there are a few elements at this stage that need to be included in order to establish a sound base for development. It is necessary that preparatory work be completed by the municipality and business community to determine if the downtown is actually in need of economic revival. Specifically it would document current supply, identify the consumer market and identify opportunities for business development. The business community must also set objectives and complete long-range economic/business development plans, as well as complete cost estimates for proposed plans. Financial incentives in addition to educational materials would be an effective way to induce the business community to undertake comprehensive planning prior to launching into marketing and promotional campaigns.

A financial incentive to undertake adequate preparation and planning in the form of a grant is warranted. It is recommended that a 50% matching grant on amounts up to an initial threshold of $15,000, be offered to communities beginning this phase of their revitalization project. On costs exceeding the $15,000, a 10% matching grant would be available. Therefore, if a community spent $15,000 on economic planning they could receive a $7,500 grant through the DRP.

Financial incentives recommended for both the economic and physical revitalization planning phases parallel one another. As this is the

case the potential exists to combine them into one grant designed to address the planning phase for both objectives. It is recommended that a "Downtown Revitalization Planning Grant (DRPG)" be established to address the need for physical and economic revitalization planning.

At the planning stage it is very important for a community to decide how they are going to approach their revitalization project. They must determine whether they are going to embark upon both physical and economic revitalization simultaneously or beautify first and then focus on economic development second. If established as recommended,the DRPG would address the need to develop a comprehensive strategy to achieve balance between those two objectives that the program emphasizes. How and when this balance is to be achieved would be decided upon by the municipality in conjunction with the program administrator. However, it must be stressed at the outset that municipalities are expected to eventually achieve a balance between both physical and economic revitalization.

Development. The development phase is also lacking emphasis. This phase in the programme's life-cycle should encompass the development of promotional strategies for the downtown business community. The economic development needs of the overall community are currently being addressed by the Provincial-Municipal Partnership Program (Ministry of Municipal Affairs and Transit) and the Community Organization for Economic Development (COED) programme (Ministry of Economic Development). These programmes focus on the overall community so a void still exists where the downtown business community is concerned. The downtown business community needs special help to revitalize its economy and compete effectively with other sectors of the community and region. Merchants in communities studied presently undertake the organization and implementation of promotions but do not go beyond this by focusing on long-range plans for economic revitalization.

In order to address this need it is recommended that a "Promotional Strategy Development Grant" be established. A variable matching grant similar to the DRPG would be appropriate. In this case it is

suggested that a 50% matching grant be offered to a municipality when up to $10,000 is spent on downtown economic strategy development, and then a 10% matching grant be offered on amounts beyond $10,000.

Operations. This phase is currently represented by the promotion aid grant which assists merchants to promote the downtown area through joint marketing campaigns of their own design. It does aid merchants to undertake promotions but as the sole component designed to address economic stimulation it is not sufficient. Communities examined utilized the promotion aid grant to varying degrees. By far, Chemainus has used it to the largest extent, undertaking locally and regionally focused promotions as well as international marketing campaigns. On the other hand, Trail and Port Alberni have done little to promote downtown. This is primarily a result of apathy on the merchant's part. Other communities have been using the promotion aid grant successfully but again, it is not sufficient to thoroughly revitalize and develop the downtown economy. Promotions should be used in conjunction with other economic stimulaters as part of a comprehensive economic revitalization strategy for downtown that would be developed in the planning and development phases.

It is recommended that the promotion aid grant be abolished as it does not address economic revitalization and development to the required extent. It leaves a void in a comprehensive revitalization strategy that needs to be filled. To remedy this it has been determined from this study that financial incentives in the planning and development phases and then the creation of a Business Improvement Area (BIA) would fill the current void effectively and efficiently.

The adoption of legislation permitting business improvement areas would give merchants a better opportunity to manage common marketing interests with their own funds. A Business Improvement Area is a defined geographic area that is promoted as a shopping, hotel, service and business area. It is funded by a levy applied to all those who benefit from this promotional and marketing programme. It is a concept very similar to a specified area or local improvement area but money collected by the municipality is allocated to the BIA

for organization, promotion and marketing of the BIA rather than to the completion of capital works and hard services. There is a need to organize and promote downtowns as functional, viable entities not just as a scattered collection of buildings containing stores and services. The BIA would enable individual merchants to mimic the shopping centre with its coordinated marketing. The BIA, as a self-help economic development programme, would encourage this more so than the existing promotion aid grant component of the DRP.

Partial funding of a BIA manager is an option at this phase of the programme but, as with physical revitalization, municipalities, or in this case the BIA board of managers, are encouraged to fund the operations phase of the programme themselves. Funds for a BIA manager could be worked into the BIA budget, therefore, ministry subsidies are not an absolute necessity but could act as an incentive.

Evaluation. Currently no formal monitoring of economic impact in individual projects is being undertaken. As with evaluation of the physical revitalization objective informal monitoring is done by the business community itself. Even so it is difficult for merchants to acquire accurate information about sales, investment in a business, rental rates and so on as others are wary of the intentions a person has when asking for such confidential information. Information on the success of a particular sale, event or promotion is easier to acquire and can be done effectively by the merchants association. This information can then be summarized by the association and forwarded to the DRP administrator for review. Formal evaluation of economic impact was undertaken as part of this study for the first time, and as with evaluating physical revitalization impacts, it is required periodically. Again a two-year period between the time economic revitalization efforts are begun and the evaluation is undertaken would be sufficient to allow for gauging of impact and effectiveness.

Figure 3 provides a summary of existing and proposed steps and components encompassed within the respective phases of both the physical and economic revitalization objectives of the programme.

Figure 3. Existing and Proposed DRP Components

	PHYSICAL REVITALIZATION				ECONOMIC REVITALIZATION			
PHASE	EXISTING		PROPOSED		EXISTING		PROPOSED	
	STEPS	COMPONENT	STEPS	COMPONENT	STEPS	COMPONENT	STEPS	COMPONENT
PLANNING	OBJECTIVE/PRIORITY SETTING ↓ DEVELOP CONCEPT PLANS ↓ INITIAL COSTING	START-UP GRANT ($5,000)	RESEARCH ↓ PLANNING/ OBJECTIVE SETTING ↓ CONCEPT PLANS ↓ INITIAL COSTING	DOWNTOWN REVITALIZ-ATION PLAN-NING GRANT (VARIABLE MATCHING GRANT)	PLANNING/ OBJECTIVE SETTING	NONE	MARKET RESEARCH ↓ PLANNING/OBJECTIVE SETTING ↓ INITIAL DESIGN ↓ COSTING	DOWNTOWN REVITALIZATION PLANNING GRANT (VARIABLE MATCHING GRANT)
DEVELOPMENT	DETAILED DESIGN ↓ FINAL COSTING	DESIGN ADVANCE LOAN ($10,000)	DETAILED DESIGN ↓ FINAL COSTING ↓ ENGINEERING ↓ TENDER ↓ CONSTRUCTION	CAPITAL IMPROVEMENT LOAN (75$)	PROMOTION DESIGN AND COSTING	NONE	PROMOTIONAL STRATEGY DEVELOPMENT	PROMOTIONAL STRATEGY DEVELOPMENT GRANT (VARIABLE MATCHING GRANT)
	ENGINEERING ↓ TENDER ↓ CONSTRUCTION	CAPITAL IMPROVEMENT LOAN (75$)						
	DESIGN ↓ CONSTRUCTION	FACADE IMPROVEMENT GRANT (20$)	EDUCATION ↓ DESIGN DEVELOPMENT ↓ CONSTRUCTION	• FACADE IMPROVEMENT GRANT (20$) • WRITTEN GUIDELINES & WORKSHOPS				
OPERATIONS	• MAINTENANCE OF CAPITAL WORKS (RESPONSIBILITY OF MUNICIPALITY)	NONE	REMAIN THE SAME	NONE	IMPLEMENTATION OF PROMOTIONS	PROMOTION AID GRANT (25$)	• IMPLEMENTATION OF PROMOTIONAL/ MARKETING STRATEGIES • MANAGEMENT OF BIA	BUSINESS IMPROVEMENT AREA LEGISLATION (SELF-FUNDED)
EVALUATION	• INFORMAL MONITORING OF PROJECTS • FORMAL EVALUATION OF IMPACT AND EFFICIENCY	• CURRENT DRP EVALUATION STUDY	• INFORMAL MONITORING OF PROJECTS • REGULAR EVALUATION	• AD HOC SPOT CHECKS	NONE	NONE	IMPACT EVALUATION	• RESPONSIBILITY OF BIA BOARD OF MANAGERS

12.3.3 Local Project Coordinator's role

The programme, other than verbally encouraging municipalities to hire a downtown revitalization project coordinator, does not give an incentive for the hiring of such a person. Even though the ministry does not provide funding for a downtown revitalization coordinator it is recognized that an enthusiastic person can influence the success of a revitalization project. In many cases a revitalization committee has fulfilled the coordination role. Whether a coordinator or committee fulfils the role, it is an element that can have a major impact on a project.

To have a coordinator would help improve overall efficiency and effectiveness of a project. Many DRP projects are not as effective and efficient at the local level as they have the potential to be because there is no person or group whose job it is to stimulate interest in as well as enthusiasm and support for the DRP, to keep the momentum going and act as liaison between merchants and municipalities. Highly successful projects, like Chemainus, have become so successful due, in large part, to the dedication and hard work the local project coordinator has put into it.

It is recommended that the ministry provide educational materials that can aid a coordinator or committee in project coordination. It is up to the municipality in question to decide if hiring a coordinator is essential but the ministry can help by providing educational materials on downtown revitalization. The wealth of knowledge, regarding successful projects, accumulated by the ministry over the past six years would benefit those who are taking on the job of project coordination.

12.3.4 Programme Administrator's role

A full-time DRP administrator is responsible for the daily administration of the programme. He is the glue that binds all components of the programme together and he acts as facilitator, educator and advisor.

Currently, not enough educational material is available to the municipality and business community. There is a need for the ministry to provide educational materials to the business community on general facade improvement design, their purpose, and benefit of such improvements. This would be in addition to specific design guidelines given to the business community by the municipality. These guidelines would outline designs suitable for the particular community in question. The Ministry could provide more extensive assistance on education by offering written guidelines and also by offering workshops on design, and on how to get started on a facade improvement programme. Workshops and written materials on elements of a successful revitalization project can be provided by the ministry, or by coordinators of first-class projects who the ministry could hire under contract for this purpose.

With regard to economic planning, there is a need for educational materials that will assist the municipality and business community in preparing a comprehensive downtown revitalization plan that would include: what a review of the local market is designed to achieve; how to perform a market analysis; how to develop a plan; and, how to organize and implement a marketing programme.

As there is only one person currently administering the DRP it is difficult for him to address all educational aspects in addition to his role as administrator. Seminar sessions have been used in the past but these are but a small part of a comprehensive educational component. Written materials, as recommended above, as well as workshops would be useful to all communities in any stage of the programme and would be a valuable addition to the programme.

It is recommended that written materials, as outlined above, be produced by consultants for the ministry and be made available to all communities participating in the DRP. In addition it is recommended that a series of workshops be developed to give merchants further instruction in preparing for, developing and implementing a marketing programme.

12.3.5 Relationship of DRP to Economic Development Strategy and Overall Community Plan

The DRP is just one programme that a community can utilize as part of an overall development plan. The DRP is not an island unto itself. It needs to be related to a larger economic strategy and the official community plan.

The development of a comprehensive economic development strategy aimed at the entire community is needed. It is a practical local plan used to enhance a community's economy through the action or influence of the local government. Enhancement of the economy would be achieved by creating new jobs, bolstering existing ones and improving the quality of them, and by increasing the stability of jobs. Attracting investment and development is also part of the process. The strategy focuses on sustainable private sector and institutional development, not on grant-dependent, short-term employment. As stated previously the Provincial-Municipal Partnership programme and the Community Organization for Economic Development programme, aid in the completion and implementation of an economic development strategy.

A community plan is a general statement of the broad objectives and policies of the local government respecting the form and character of existing and proposed land use and servicing requirements in the area covered by the plan. All municipalities are encouraged to adopt an official community plan prior to undertaking a revitalization project, although it is not a requirement. It is encouraged because it provides opportunities for the municipality to exercise an enhanced form of development control in the area. Once a community plan is adopted, a municipality has the authority to designate a

"development permit area" for the purpose of revitalization, if the area has been designated for that purpose by the minister. This provides the municipality with an enhanced capability to manage physical development in the area and make sure it adheres to policies regarding form and character appropriate for the revitalization area, even once the DRP project is completed.

The economic development strategy and an official community plan are an integral part of a comprehensive future plan for any community and should be emphasized. It is recommended that these opportunities be promoted more extensively through suitable educational materials that emphasize the compatibility between them and the DRP.

12.3.6 Other Programmes

There are also other provincial and federal government programmes, in addition to the DRP, that are related to community development. Among these are: Heritage Area Revitalization Programme (Ministry of Provincial Secretary and Government Services) which assists communities with the restoration of historically significant streets and buildings; Partners in Tourism (Ministry of Tourism) which stresses development of private sector promotional campaigns aimed at the tourist market; and, the Main Street Program (Heritage Canada Foundation) which emphasizes the economic and architectural revival of downtown Canada with emphasis on the preservation of Canada's architectural heritage. As with the economic development strategy and the community plan, it is recommended that these additional opportunities be promoted through suitable educational materials that the ministry could provide. The numerous programmes available to communities, plus their own planning and initiative, can work towards the development of a long-range comprehensive community plan designed to increase the viability, attractiveness and stability of a community.

APPENDICES

Appendix A Special Funds Act, 1980, Part 3 Downtown Revitalization Fund

Appendix B Summary of DRP Expenditure, 1980 - 1986

Appendix C Questionnaires

APPENDIX A

SPECIAL FUNDS ACT, 1980

CHAPTER 53

[Assented to June 27, 1980.]

Part		Section
1.	Barkerville Historic Park Development Fund	2 – 4
2.	B.C. Place Fund	5 – 7
3.	Downtown Revitalization Fund	8 – 10
4.	Energy Development Fund	11 – 13
5.	Fraser River Crossing Fund	14 – 16
6.	Lower Mainland Stadium Fund	17 – 18
7.	North East Coal Development Fund	19 – 21
8.	Provincial Computerization of Libraries Fund	22 – 24
9.	Urban Transit Fund	25 – 27

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

PART 3

DOWNTOWN REVITALIZATION FUND

Interpretation

8. In this Part, "fund" means the Downtown Revitalization Fund established under section 9.

Appropriation

9. The Minister of Finance shall pay from the consolidated revenue fund the sum of $25 million to establish the Downtown Revitalization Fund.

Purpose of fund and expenditure from it

10. (1) The purpose of the fund is to grant aid to municipalities and the business community to revitalize downtown areas and to provide for loans to municipalities to assist in the capital cost of downtown improvement.

(2) Where

(a) the Minister of Municipal Affairs requests an expenditure to be made from the fund, and

(b) the Comptroller General certifies that the expenditure is for a purpose designated under subsection (1),

the Minister of Finance shall pay the amount of the expenditure to the person designated by the Minister of Municipal Affairs.

APPENDIX B

Appendix B

Summary of DRP Expenditure 1980-1986

The allocation for the DRP was $25 million. The annual breakdown of expenditures 1980-1986 is as follows:

	Annual Expenditure	Percentage of Initial $25 Million	Cumulative Total	Total Percentage of Budget Expended
1980/81	160,462.40	0.64	160,462.40	0.64%
1981/82	790,630.89	2.52	951,093.29	3.16
1982/83	3,059,673.14	12.88	4,010,766.43	16.04
1983/84	5,369,267.28	21.88	938,033.71	37.52
1984/85	4,159,197,95	16.64	13,539,231.66	54.16
1985/86	5,496,982.56	21.99	19,036,214.22	76.15
1986/87	5,655,000.00	22.62	24,691,214.22	98.77

The breakdown of expenditures into the various forms of assistance available through the DRP is as follows:

	TOTAL	PERCENTAGE
Start-Up Grant	620,000.00	2.48
Design Advance Loan	330,000.00	1.32
Capital Improvement Loan	19,804,185.70	79.22
Capital Improvement Grant	1,028,800.00	4.12
Facade Improvement Grant	1,739,884.76	6.96
Promotion Aid Grant	1,168,343.76	4.67
	24,691,214.22	**98.77**

The breakdown of annual expenditures on each program component is as follows:

	Start-Up Grant	Design Advance Loan	Capital Improvement Loan
1980/81	150,000	10,000	----
1981/82	250,000	140,000	210,400.00
1982/83	40,000	60,000	2,514,343.99
1983/84	30,000	50,000	4,734,576.12
1984/85	70,000	70,000	3,080,955.02
1985/86	55,000	----	4,513,910.57
1986/87	25,000	----	4,750,000.00 (est.)

	Capital Improvement Grant	Facade Improvement Grant	Promotion Aid Grant
1980/81	---	---	462.40
1981/82	---	86,017.15	104,213.74
1982/83	18,919.00	241,662.85	184,866.30
1983/84	250,919.00	186,157,35	117,614.81
1984/85	447,148.00	268,727.26	222,367,67
1985/86	311,933.00	422,320.15	193,818.84
1986/87	---	535,000.00 (est.)	345,000.00 (est.)

The total amount of loans provided through the DRP is $20,134,185.70 or 80.54% of the total allocation of $25 million.

The total amount of grants provided through the DRP is $4,556,968.57 or 18.23% of the total allocation of $25 million.

APPENDIX C 1.0

MUNICIPALITY'S QUESTIONNAIRE

IMPACT

(1) Has the D.R.P. directly financed improvements in the following areas?

a) Parking
Sidewalks
Roads

b) Sewers

c) Water

d) Beautification
Lighting

(2) Are further municipally funded improvements (induced) to the following services planned as a result of the D.R.P.?

a) Parking
Sidewalks
Roads

b) Sewers

c) Water

d) Beautification
Lighting

(3) How did the D.R.P. affect revenue earned in the following areas?

a) Assessment Value

b) Business Tax

c) Business Licensing Fees

d) Property Tax Revenue

(4) a) Have tax rates on commercial property been increased to repay the Capital Improvement Loan? yes ☐ no ☐ By what percentage? _____

b) Have taxes been applied on a specified area or general level? _____

_____

_____

c) How was this particular tax instrument and its application determined? _____

_____

Was there any debate about this form? yes ☐ no ☐ If so what were the objections?

_____ _____

_____

(5) How did the municipality provide its portion of the funding for Capital Improvement Works (25%)? _____

_____

(6) Was there any change in budget spending priorities as a result of the D.R.P.? yes ☐ no ☐

COMMENTS _____

_____

(7) Have more building and structural alteration permits been issued as a result of the D.R.P.? (consider square footage) yes ☐ no ☐ By how much? _____

_____

Have there been increases in rezoning requests? (transfer of residential to commercial uses) yes ☐ no ☐ COMMENTS _____

_____

(8) Do you sense an increase in public pride and enthusiasm for downtown since the D.R.P. was completed? yes ☐ no ☐ COMMENTS _____

How do you rate this increase from 1-5 where 1 is negligible and 5 is very large?

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ COMMENTS _____

(9) a) Has there been an increase in retail sales? yes ☐ no ☐ How much? _____

b) Has there been an increase in the tourist sector? yes ☐ no ☐ How much? _____

_____

c) Has there been an increase in sales of services? (consider restaurant, etc.)
yes ☐ no ☐ How much? _____

(10) Do recent economic studies (if any) indicate any measurable impacts from the D.R.P.?

_____

_____

DELIVERY

a) Were the Ministry of Municipal Affairs objectives regarding the D.R.P. clear to your municipality? yes ☐ no ☐ What were they? _____

_____

b) What were your municipality's objectives upon entering the D.R.P.? _____

_____

(2) Have there been any problems with delivery of the Start-up grant? Specifically:

a) Were there any problems in the application procedure for grants and loans? yes ☐ no ☐

If yes, what were they? _____

_____

b) Were the criteria clear? yes ☐ no ☐ If not, what was not clear? _____

_____

_____

c) Has there been sufficient follow-up by the D.R.P. staff? yes ☐ no ☐ If not, what was lacking? _____

_____

***(Repeat questions a-c for the Design Advance Loan, the Capital Improvement Loan, and the Promotion Aid Grant)

(3) Can you recommend any improvements regarding the delivery of the D.R.P.? (Also consider the start-up grant, design advance loan, capital improvement loan, promotion aid grant)

_____

_____

_____

(4) Were you satisfied woth the D.R.P. funding arrangements? Specifically:

a) The Start-up Grant? yes ☐ no ☐ If not, why not? _____

_____

b) The Design Advance Loan? yes ☐ no ☐ If not, why not? _____

_____

c) The Capital Improvement Loan? yes ☐ no ☐ If not, why not? _____

_____

d) The Promotion Aid Grant? yes ☐ no ☐ If not, why not? _____

_____

(5) Can you recommend any changes to make the Program more effective? _____

_____

_____

Does the idea of Business Improvement Areas appear useful in your municipality? _____

_____

(6) Were any outside consultants brought in to assist in planning your revitalization project (ie. engineering, architectural, landscape, economic)? yes ☐ no ☐ If yes, who were they and what were they brought in for? _____

_____

_____

_____

(7) Were all of the planned improvements (listed under Schedule 'B') implemented? yes ☐ no ☐
If not, what was changed and why? _____

_____

_____

OVERALL

(1) Has the Downtown Revitalization Program had a positive impact on your municipality?
yes ☐ no ☐ If yes, why? _____

_____

If no, why? _____

_____

How would you rate this impact on a scale of 1-5 where 1 is negligible and 5 is extremely positive? 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

(2) What was the reason for a _____ year delay between receipt of your start-up grant and actual implementation of your project? _____

_____

APPENDIX C 2.0

MERCHANTS QUESTIONNAIRE

I would like to ask you some questions regarding the Ministry of Municipal Affairs Downtown Revitalization Program. Specifically, the questions focus on the impact it has had on your business and the downtown area, the program delivery process, and the future of your community.

(1) Were you in business here before the D.R.P. process began? yes ☐ no ☐
(if yes - move into delivery questions first then go to impact questions.)
(if no - move into impact questions, can't ask delivery questions.)

PROGRAM DELIVERY

The questions in this section are designed to determine your experience with the D.R.P. delivery process, whether or not it worked for you, and solicit suggestions for improvements.

(1) Were you involved in the D.R.P. process? yes ☐ no ☐ don't know ☐
(ie. Downtown Revitalization Committee)

(2) Did you participate in the facade improvement component of the program? yes ☐ no ☐
(If yes, ask questions 2a-h, if no go to impact questions)

***The next 8 questions deal specifically with the facade improvement process.

a) Was the facade improvement grant easy to apply for? yes ☐ no ☐
COMMENTS _____

b) Was the process efficient? yes ☐ no ☐ How could it be improved? _____
_____

c) Was the 20% (or $200/metre) grant enough to help you with facade improvements?
yes ☐ no ☐ If not, do you have any suggestions for improvement? _____
_____

d) Would you have completed facade improvements on your building if there had been no monetary assistance available? yes ☐ no ☐ COMMENTS _____
_____

e) Do you think more people would have participated in the facade improvements if more money had been available? yes ☐ no ☐

f) Did overall downtown facade improvements meet your visual (aesthetic) expections? yes | no | no expecs. | exceeded expecs.

COMMENTS _____

g) Were you given enough guidance when you were entering into the program? yes | no

Do you have any suggestions? _____

h) Have benefits you received exceeded the costs you incurred in making the improvements? yes | no

Then do you feel the facade improvement program was worth participating in? yes | no

COMMENTS _____

IMPACT

The questions in this section are designed to determine the social and economic impact the D.R.P. has had/is having on yourself, downtown and the whole community.

(1) Has the D.R.P. prompted you to make improvements to your business beyond those supported by the facade improvement program? yes | no

(ie. expansion, window displays, renovations, interior painting, etc.)

Such as: _____

SELECTION OF GOODS

(2) Are you pleased with the improvements that have been undertaken downtown as part of the D.R.P.? yes | no

Which ones: _____

(ie. facade improvements, streetscape-planters, benches, parking, sidewalks, etc.)

(3) Are more people shopping downtown now than before the D.R.P.? yes | no | don't know

(4) Do you belong to a local business association? yes | no (If yes, go to 4a&b)

If no, why not? _____

(ie. Downtown Business Assoc., Chamber of Commerce)

a) Is there a good working relationship between merchants in the association? yes | no

(regular meetings, cooperative sales and advertising, etc.)

b) Is the relationship better now than before the D.R.P.? yes | no | don't know

c) If yes, did participation in the D.R.P. influence the improvement? yes | no | don't know

(5) Have your sales increased since D.R.P. improvements? yes [ ] no [ ] Could you tell me by what percentage? _____ To what extent do you attribute this to the D.R.P.? 0 1 2 3 4 5 (where '0' is "not at all" and '5' is "totally")

[ ][ ][ ][ ][ ][ ]

(6) Have you been able to hire more employees as a result of the D.R.P.? yes [ ] no [ ]

fulltime	part-time	seasonal

COMMENTS _____

(7) Do you own or lease your building space? own [ ] lease [ ] (If rent, go to 7a,b&c, if own go to question 8)

a) Have rental rates increased since the D.R.P. was implemented? yes [ ] no [ ]

COMMENTS _____

b) Has the D.R.P. influenced your decision or intention to sign a longer lease? yes [ ] no [ ]

c) Has your business tax increased? yes [ ] no [ ] How much has it increased? _____

(8) Have your property taxes increased since the D.R.P.? yes [ ] no [ ]

a) How much have they increased? (% or $) _____

b) In your opinion was the increase justified? yes [ ] no [ ]

c) Do you attribute any increase in your taxes to the D.R.P.? yes [ ] no [ ] don't know [ ]

If yes, what percentage? _____

d) Would a different form of tax be fairer from your perspective? yes [ ] no [ ]

If yes, what kind of tax? _____

_____

to ASK PROPERTY OWNERS THESE QUESTIONS

FUTURE

(1) Are you confident about the future of downtown NAME ? yes [ ] no [ ]

COMMENTS _____

(2) Are you satisfied with the way your Downtown Merchants Assoc. (or Revitalization committee) and the Municipality managed/promoted the D.R.P.? yes [ ] no [ ]

Why? or Why not? _____

_____

3) Would you like to see future programs in your community similar to the D.R.P. such as the implementation of Business Improvement Area legislation?

yes [ ] no [ ]

COMMENTS _____

_____

APPENDIX C 3.0

DOWNTOWN MERCHANTS ORGANIZATION

IMPACT

(1) Did a Downtown Business Organization exist before the D.R.P.? yes ☐ no ☐ don't know ☐

(2) If an Organization did exist, was there a good working relationship between members before D.R.P.? yes ☐ no ☐

(3) Is there a better working relationship now? yes ☐ no ☐

If there is could it be attributed to the D.R.P.? yes ☐ no ☐

(4) If a Downtown Business Organization did not exist before the D.R.P. do you feel that the Program had a direct influence on the organization of such an association?

yes ☐ no ☐ If yes, how? _____

_____

(5) Are the downtown merchants presently involved in joint marketing schemes? yes ☐ no ☐

(6) Were the merchants involved in joint marketing schemes before the D.R.P.? yes ☐ no ☐

COMMENTS _____

(7) Do you think more people are shopping downtown now than before the D.R.P. was implemented? yes ☐ no ☐ COMMENTS _____

_____

(8) Would you like to see future programs in your community similar to the D.R.P. such as the Provincial/Municipal Partnership Program (Partners in Enterprise), or the implementation of Business Improvement Area legislation? yes ☐ no ☐

COMMENTS _____

_____

(9) Is there a good working relationship and open lines of communication between your business association and the municipal Government (mayor & council) yes ☐ no ☐

COMMENTS _____

_____

APPENDIX C 4.0

REAL ESTATE REPRESENTATIVES QUESTIONNAIRE

(1) Were you here before the D.R.P. was implemented? yes ☐ no ☐

(2) In your estimation has the D.R.P. influenced:

- Property values yes ☐ no ☐ How? _____

_____

- Property sales yes ☐ no ☐ How? _____

_____

- Commercial rental values yes ☐ no ☐ How? _____

_____

- Commercial vacancy rates yes ☐ no ☐ How? _____

_____

(3) What is the number of downtown establishments and their square footage? _____

_____

_____

(4) What was the downtown area like before the D.R.P. was implemented? _____

_____

_____

_____